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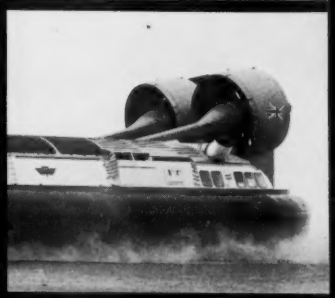
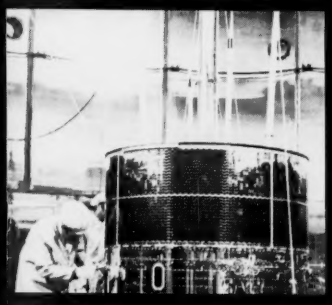

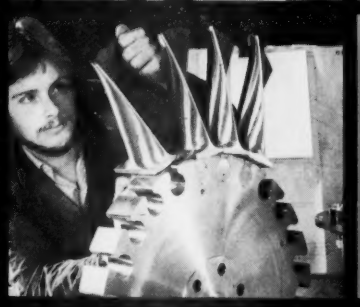

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Trade and Industry

6 April 1979

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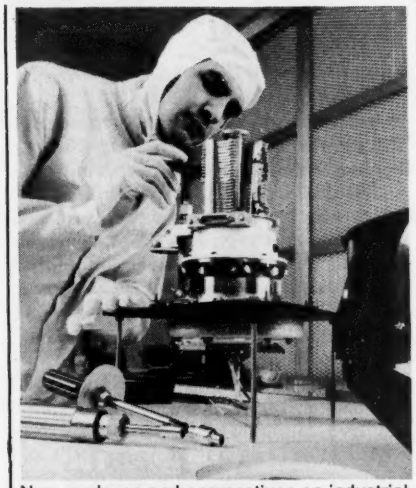

New analyses and perspectives on industrial research and development for 1975, the last year for which details are available, are presented in two articles this week (see page 32).

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Trade and Industry this week

HOME

Chancellor presents caretaker budget

Corporation tax and income tax rates are to stay the same, announced Denis Healey, Chancellor of the Exchequer, in his budget speech on Tuesday. A finance bill incorporating his proposals, which was expected to receive the Royal Assent on Wednesday, will allow for the collection of these taxes beyond 5 May.

The bill allows for the rates of corporation tax for the financial year 1978 to remain at 52 per cent, the 1977 rate. The same applies to the small companies' rate of 42 per cent, and the marginal relief for small companies. The rate of advance corporation tax for the financial year 1979 will be 33/67ths of qualifying distributions, the same as for 1978.

It is proposed in the bill that the rate of income tax for 1979-80 will be the same as for 1978-79. An increase in personal allowances as provided for by section 2 of the Finance Act 1977 is proposed.

To allow the next government to review the allowances, the bill provides for the proposed increases to be implemented not earlier than 1 August. The allowances are increased by 8.9 per cent, the increase in the general retail price index for the calendar year 1978. The cost of these increases would be about £1,050 million in a full year.

The chancellor also announced on Tuesday that he had authorised further pre-payment of official external debt, including the early repayment this year of one billion dollars to the IMF and one billion dollars of market debt. He had also authorised planning for up to a further one billion dollars pre-payment of market debt.

British airlines to use unsold Concordes

The two unsold British-assembled Concordes are to be allocated to British carriers, industry secretary Eric Varley announced to parliament on Tuesday.

In considering the future of the two unsold Concordes, Mr Varley said the government had taken into account that, while the ultimate value of a Concorde could not be established in the foreseeable future, its capacity to generate operating surpluses was expected to rise substantially over the working life of the aircraft. It had concluded that the right course was to place the two aircraft in a way that would maximise the total operating surplus of British-assembled Concordes, and would assure for the government the major part of the operating surpluses generated by the two aircraft.

He said that one Concorde should in due course be placed with British Airways at a minimal cost to the airline on the basis that 80 per cent of the enlarged fleet's operating surpluses would accrue to the government. A decision on the placing of the second Concorde had been deferred to allow British Airways and British Caledonian Airways to develop financially acceptable proposals for its utilisation.

RB211 gets further support

Further government support for Rolls-Royce Ltd was announced on Tuesday by Gerald Kaufman, Minister of State for Industry.

This follows completion of a detailed review of Rolls-Royce's engine development programme and financing requirements in the light of the government's previous support for the RB211, the decision to launch the RB211-535, the further development of the RB211-524, and forecasts of the effects of the heavy development expenditure on the company's financial position.

The government had decided, Mr Kaufman said, to increase its support for the RB211-22 aero engine by £14 million to help to meet the higher than previously estimated costs of warranty liabilities on the first 555 engines.

It was also to increase by £26 million its previously announced participation in the development of the RB211-524 version for the Lockheed L1011 and Boeing 747 aircraft, in recognition of additional work that had been required.

Additionally, with the upturn in the civil aircraft market, further developments of the existing RB211-524, which would further expand Rolls-Royce's sales prospects, had also been approved by the National Enterprise Board and endorsed by the government.

The government recognised, said Mr Kaufman, that the development costs, concentrated in the next few years, could not be financed from the company's internal resources and it had therefore decided to provide a total of £192 million at 1978 survey prices over the next five years towards the cost of further development of the RB211 programme.

In the light of these decisions and the circumstances of the aerospace industry and, in particular, the long pay-back period of investments, Mr Kaufman said that the government had decided to set a financial duty to the NEB in respect of Rolls-Royce of a 10 per cent return on capital employed by 1981 and a progressive increase thereafter. In the years prior to 1981, the board was to maintain progress towards the 10 per cent objective.

BL funding for 1979 approved

British Leyland's corporate plan has received the support of the government which has approved the injection of £150 million of equity funds by the National Enterprise Board to assist in meeting the company's financial requirements in 1979. This was announced by industry secretary Eric Varley on Monday when he told parliament that the government had accepted the recommendations of the NEB's report on BL's performance in 1978 and its corporate plan for 1979-83.

The amount to be injected was significantly less than the £300 million which, at the time of the 1978 corporate plan, BL and the NEB envisaged as being needed during 1979, said Mr Varley. BL's plans continued to be based on the overall public funding limit of £1,000 million recommended in the Ryder report, and the government remained committed in principle to provide the remainder if required in 1980 and 1981, provided that the company's performance and future prospects, which were reviewed annually on the basis of its corporate plans, continued to justify this.

In view of the difficulty of making any precise forecasts of BL's longer-term profitability until the prospects in such vital areas as the improvement of productivity were clearer, Mr Varley said, the government had agreed with the NEB that the NEB's existing financial duty to secure a return of 10 per cent on its investment in BL by 1981 should remain unchanged and that the determination of a financial duty for later years should be considered when the NEB reported on BL's 1980 corporate plan.

Assistance interest rates reduced

The maximum rate of interest relief grant and interest rates for loans under section 7 of the Industry Act 1972 are reduced with effect from last Monday (2 April).

The rate of interest relief grant available in those cases where it would be appropriate to allow the equivalent of an interest free period on a Department of Industry loan – but where firms obtain their finance from other sources – is being reduced from 15 per cent to 13 per cent for each interest free year.

The 'concessionary' rate of interest on loans for employment-creating projects (category A) is reduced from 12 per cent to 10 per cent. The 'broadly commercial' rate of interest on loans for modernisation projects not providing additional employment (category B) is reduced from 15 per cent to 13 per cent.

Chairmen and Managing Directors

The following executives are seeking to further their careers within fields where proven experience counts and is rewarded accordingly

FINANCE

1. **Project Accountant.** ACMA. Whose experience has covered the UK, Middle East and Africa in the automotive, construction and mining industries. He is looking for a fresh opportunity overseas. Location and remuneration flexible. **Age 27 Salary c. £14,000**

2. **Operational Auditor/Purchaser.** BSC (Hons) with strong international financial management experience, especially in the Middle East and America. Has responsibility for $2.8 billion purchases world wide. Promotion and salary blockage. **Age 33 Salary £14,000**

3. **Computer Auditor.** FCA with a wide range of experience of many systems and of training and writing, he would now like to move 'in house' to a large industrial, banking, or commercial group able to utilise fully his technical ability. **Age 33 Salary £12,000**

4. **Audit Manager.** BA (Hons), ACA. Fluent German. Excellent understanding of American, German and UK financial requirement and a good knowledge of EEC operations especially Italian. Wishes to move into industry. **Age 32 Salary £10,000**

5. **Financial Director.** FCA, ATII. Good French and German. Outstanding and successful experience in development, financial management and trading in major international manufacturing/trading groups. Willing to relocate, to any main financial centres. **Age 32 Salary £15,000+**

6. **Financial Controller and Co. Secretary.** ACA, MBA, good French. A 'live wire' with large manufacturing group experience. Intelligent and practical with an entrepreneural outlook. **Age 32 Salary c. £10,000**

7. **Finance Director** MA (Oxon), FCA, MBA, with corporate management experience as well as merchant and retail banking, and leasing. Wishes to consolidate his experience infinancial services. **Age 33 Salary £15,000**

8. **Finance Director.** MA (Oxon), FCA. An impressive large group director with substantial experience of industrial and financial services in the Far East. With his wide coverage of important contacts, ideally, he would like to develop a major groups interests in this area. **Age 43 Salary £25,000+**

9. **Financial Director.** FCA. Good French. A tough professional with extensive manufacturing experience in large groups. A successful 'trouble shooter' with particular strength in planning and computer based systems. Salary blockage. **Age 43 Salary £11,000+**

10. **Finance Director/Treasurer.** FICM. Good German. His impressive career with large international Anglo/American group includes financial consolidation of diverse subsidiaries and £2,000m+ in borrowings. Seeking ultimate career move. **Age 52 Salary £18,000**

11. **Group Secretary.** FICS, AIA. An outstanding secretary and internal 'company doctor' of a major international industrial group. A strong entrepreneur of general management potential. Promotion blockage. **Age 32 Salary £14,000+**

12. **Group Finance Manager.** MA (Edinburgh), CA, FCMA. Good French. An impressive F/D with an unusually wide understanding of Technical Engineering. Although with a substantial group he wishes to develop his career further (possible as Noz) in a group with turnover exceeding £300 m. **Age 40 Salary 18,000+**

MARKETING

13. **Salesman.** BA (Oxon) Hons. Fluent French and German, good Italian with 4 years export marketing experience of engineering capital equipment. Likeable and intelligent and wishing to progress his career and languages. **Age 25 Salary £5,000**

14. **Export Salesman.** BA (Econ). Bilingual English-French. Some consultancy and publishing experience but wishes to develop a career in fast moving consumer goods or in the leisure industries. **Age 25 Salary £9,000**

15. **Regional Fleet Sales.** HND Business studies. Some French. A very successful track salesman (with HGVI licence) covering a wide range of new and secondhand vehicles. Ambitious, agressive and gets results. Wishes to move into international operations. **Age 27 Salary £13,000+**

16. **Senior Product Manager.** An electrical engineer with an excellent understanding of technical marketing (tools, computers, radio, radar). He has a highly successful record. A promotion/salary blockage. **Age 35 Salary £10,000**

17. **Export Manager.** Trilingual English, French, Dutch; good German. An outstanding sales manager in pharmaceuticals, cosmetics and medical equipment throughout Europe, Africa and Middle East. **Age 36 Salary negotiable £18,000+**

18. **Sales Manager.** Trilingual English, French, Arabic. A most likeable and successful Autoparts salesman with an exceptional knowledge of the Middle East – especially Saudi. Able to handle any engineering or fast moving product in this area. **Age 36 Salary £13,000+**

19. **Marketing Director.** Good German, fluent Swahili. An intelligent and forceful manager with an impressive record in telecommunications, office and reprographic equipment. Career blockage. **Age 37 Salary c £12,000**

20. **Sales Director.** C&G Telecom. Radio and TV. With considerable experience of industrial and direct selling and distribution of electronic components and semiconductors. Seeking greater involvement with export marketing. **Age 43 Salary £10,000**

21. **Marketing/General Manager.** MA (Oxon) fluent French. Considerable international experience of f.m.c.g. – especially food and drink in Europe, Africa and Canada, and of establishing an agency or franchise network. **Age 43 Salary £12,000**

22. **Area manager.** Fluent Arabic, Greek, good French. A particularly good knowledge of the Near and Middle East and of establishing a direct selling and agency network in the area for consumer products. Promotion blockage. **Age 43 Salary c £15,000**

23. **Sales Manager.** BSc (Chem). Fluent French and Spanish. A first class salesman and sales engineer with a good knowledge of markets in Europe, Africa and the Far East, especially consumer products. **Age 37 Salary c £20,000**

24. **Trader.** MA. Good Mandrin Chinese, whose particular strength has been selling capital equipment (agriculture, mining, logging and construction) to the Far East especially China, Hong Kong and Taiwan. Seeking further opportunities in this area. **Age 48 Salary c $40,000**

GENERAL MANAGEMENT

25. **Young Executive.** BTech (Mech Eng), ACCA, MSc. An intelligent and well connected young man with international experience. Particularly keen to develop his career in the engineering industry in the Middle East or South America. **Age 25 Salary c. £7,000**

26. **Civil Engineer.** BSc Civil Eng. An ambitious and intelligent engineer with 7 years experience of open cast coal digging, municipal and water engineering wishes to develop his career overseas. **Age 27 Salary negotiable**

27. **Managing director.** BA (Oxon), MA (Japanese Business). A successful young entrepreneur who has developed and expanded a family business to include shop fitting property development and investment. A highflyer ready for greater executive responsibility in a larger organisation. **Age 29 Salary £10,000**

28. **Senior Merchandiser.** MBA, MIGD. An impressive executive with a good knowledge and extensive practical experience of 'Retail', especially of food products in large chain stores and supermarkets. Promotion blockage. **Age 30 Salary £14,000+**

29. **General Manager.** Fluent French good Arabic. An energetic and adventurous young executive with experience in the oil and financial services industry in both the UK and Middle East. Seeking a career development move. **Age 31 Salary c. £10,000**

30. **Project Engineering Manager.** HNC Mech Eng MIE Tech. International experience covers the installation of process plant and computer controlled projects. Seeking greater responsibility in any process industry. Location flexible. **Age 28 Salary £7,500+**

31. **Works Manager.** BSc Eng, MI Prod E. Good Farsi. Imaginative and hard working with 8 years experience of machine tool production, also of silk screen printing and packaging. Sound practical experience in the Middle East. **Age 31 Salary £8,000+**

32. **Managing Director.** A tough and positive executive with an excellent knowledge of all aspects of the retail industry. Has recently carried out several highly successful development operations handling timber and building products. Career developments. **Age 33 Salary £15,000**

33. **Group Finance Director.** FCA. A top level financial management executive (T.O. £600m+) with the reputation for being 'able to unscrew any mess'. Most impressive industrial career now seeking ultimate move and greater management challenge. **Age 49 Salary negotiable c. £20,000**

34. **Chief Executive.** Fluent French. Considerable experience in high and low technology equipment for the health care industry. A sound practical engineer with successful marketing and general management experience in Europe. **Age 46 Salary £15,000**

35. **Regional Director.** FCA. Fluent French, good Italian, Portugese and Spanish. A strong financially oriented G/M whose manufacturing experience covers automotive and agricultural machinery products and HI-FI equipment with major groups. Seeks career move. **Age 50 Salary £17,000**

36. **Chairman/Chief Executive.** A highly successful record covering most areas of retail trading – with blue chip group (T.O. £700m). Seeking ultimate career move. **Age 50 Salary c. £30,000**

NOTES:
(i) Each one of the above executives has been interviewed by us and we consider them to be amongst the best in their particular line. There are of course others which space precludes.
(ii) If you are interested in an executive of similar characteristics please contact me.
(iii) If you personally feel that you match these standards and might benefit from a new opportunity please contact me in the strictest confidence. We would like to meet you for a brief general discussion to discuss your future. There is absolutely no hidden obligation or registration fee.

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For further information and application form (to be returned by 23 April 1979) write to the Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1JB or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote ref G/5003/8.

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REMINDER
Instrumentation and Automation Industry Scheme

If you are a manufacturer of instrumentation and/or automation equipment in the UK and wish to expand production facilities before October 1980 you could benefit from this Scheme. Latest date for applications is 30 April 1979.

For further details telephone the Department of Industry on 01-212 0030.

Home news

Green paper reviews restrictive trade practices

Secretary of State for Prices and Consumer Protection Roy Hattersley announced publication on 28 March of a green paper on restrictive trade practices policy. This forms the second stage in an overall review of competition policy.

The interdepartmental group responsible for the report, chaired by Hans Liesner, chief economic adviser to the trade, industry and prices departments, found that, although the law governing restrictive trade practices had been effective in removing or preventing a wide range of restrictive agreements, there had also been a number of criticisms, particularly that the legislation had in practice proved unduly inflexible.

The group also developed the suggestion made in last May's green paper that so-called uncompetitive or anti-competitive practices – typically devices by one firm for preventing or impeding other firms from entering its market – should be brought under more effective control. The proposal, which relies in the main on selective investigation by the Monopolies and Mergers Commission, is designed to remedy that weakness.

The restrictive trade practices legislation has proved very effective in relation to goods (it is still too early to assess the effects on services) in removing restrictive agreements, the report says. Economic assessments indicate that the legislation has achieved its primary objective by contributing to improved industrial efficiency. The Resale Prices Acts have proved highly effective in ending resale price maintenance, and the evidence suggests that they have made a contribution to efficiency in retailing.

There are, however, grounds for criticism, it points out. In particular, the restrictive trade practices legislation is too inflexible, and may deter or even prevent both insignificant agreements and those that are significant but desirable. The legislation should accordingly be made more flexible, and its operation should be simplified. In addition, the means of enforcement should be strengthened.

New provisions for controlling a range of anti-competitive practices not covered by the restrictive trade practices legislation should be introduced, the report states. At present such practices – which normally arise through attempts to abuse a dominant position in a particular market – can only be examined in the context of a monopoly reference to the Monopolies and Mergers Commission.

Major legislative changes which the green paper considers necessary to meet the weaknesses identified include:

- ☐ leaving the criteria for registration of restrictive trading agreements as they are now but, to deal with the problem of insignificant agreements, introducing a two-part register and giving the Director General of Fair Trading discretion not to proceed against insignificant cases
- ☐ giving the Director General of Fair Trading, without supplanting the court's jurisdiction over registrable agreements, power and discretion to approve cases without taking them before the court
- ☐ giving further consideration to the introduction of discretionary fines for failure to register registrable agreements
- ☐ there is a place for prohibition on the lines of the Resale Prices Act for any definable practice or type of agreement which has been found to be against the public interest either in all circumstances or with only narrow and definable exemptions. Amending legislation should include prohibition of collusive tendering (with criminal penalties) and the power to prohibit further practices or types of agreement following investigation by the Monopolies and Mergers Commission. Tie-in sales and full-line forcing should in any case now be referred for such general investigation.

Footwear code to be strengthened

Measures to strengthen the footwear code of practice are to be introduced by the Footwear Distributors' Federation, it was announced on 28 March.

In future, the supervisory board of the independent footwear test centre will approve arrangements adopted by individual companies for testing new forms of shoe construction, design and material in an effort to achieve consistent pre-testing and higher standards of shoe manufacture.

On footwear labelling, the British Standards Institution, with the co-operation of the industry, has produced a scheme which classifies footwear in six categories by use. Draft details of the scheme have been circulated for discussion by interested organisations and it is expected that a scheme to bring this information to the notice of consumers will be introduced later this year.

Welcoming initiatives taken by the footwear industry to raise the level of service to the consumer, Director General of Fair Trading Gordon Borrie said that the proposed pre-testing scheme should at least ensure that no new form of shoe construction was intro-

Ferranti computer speeds pathology reporting

Heart of the Delphi-Phoenix data handling system at the Royal Lancaster Infirmary's pathology laboratory is the Ferranti Argus 700 computer. The computerised system accepts the mass data produced by modern laboratory instruments, processes it and presents the information in the form of medical reports. This gives the Lancaster hospital's clinician a faster, more reliable service and releases the laboratory technical staff from the tedium of routine clerical work.

duced on to the market until it had proved its durability and fitness for purpose in terms of what consumers might reasonably expect. In addition, the proposed shoe labelling scheme – if approved – would help consumers to make a more informed choice when buying footwear.

The federation felt unable to accept Mr Borrie's suggestion in the OFT 1978 survey on the working of the two-year old footwear code that the consumer's contribution of £2 towards independent testing of shoes which were the subject of complaint be reduced. It has agreed that the ratio of retailer/consumer contributions should be changed to 2:1 with an annual review of the total fee. As the Footwear Test Centre has raised the total fee from £4 to £5 this year, the consumer will continue to pay £2, this amount being refunded if the complaint is upheld.

Mr Borrie said he was concerned that the £2 fee would act as a disincentive to people to take advantage of this facility, particularly in the case of children's shoes, where the testing fee constituted a much higher proportion of the original outlay than for adult shoes. He would be looking at the fee level again before the end of the year in the light of the use made of the testing facility by consumers.

While recognising that the industry had made substantial progress towards implementing the improvements he called for last year, Mr Borrie said he was disappointed that the federation had not felt able to make adherence to the code of practice compulsory.

Wire and cable monopolies not against public interest

Monopolies in the insulated electric wires and cables industry are not against the public interest. This is the conclusion of a Monopolies and Mergers Commission report, published on 28 March.

Announcing publication of the report in the House of Commons, John Fraser, Minister of State for Prices and Consumer Protection said that in relation both to supply in the UK and to exports, the commission had found that a monopoly situation existed in favour of BICC Ltd and its seven subsidiary companies engaged in the production and sale of cables, since they together supplied more than 25 per cent by value of the insulated electric wires and cables supplied in the UK in 1974.

But prices secretary Roy Hattersley would not be taking any action on the report as it had not found evidence of any adverse effect on the public interest, Mr Fraser said.

The green paper ('Insulated electric wires and cables – a report on the supply in the UK and the export from the UK of Insulated Electric Wires and Cables', HMSO, £2.75) found that there was a complex monopoly situation in relation to exports in favour of a number of companies belonging to one or more of the export agreements in the industry.

The commission, however, was precluded from considering the effect on the public interest of unregistered restrictive agreements. The most signficant of these, concerning sales of external telephone cables to the Post Office and now terminated, had been operated by BICC, Pireli General, Standard Telephones and Cables, and Telephone Cables Ltd. It had come to light during the commission's inquiries.

Last June, the four cablemakers concerned agreed to repay £9 million to the Post Office by way of adjustment of the prices charged during the period to 1975, when they were operating unregistered agreements.

Mergers commission to investigate Alginate Industries' acquisition

Secretary of State for Prices and Consumer Protection Roy Hattersley has decided to refer the proposed acquisition by FMC Corporation of Alginate Industries Ltd to the Monopolies and Mergers Commission for investigation and report under the provisions of the Fair Trading Act 1973. The commission is being asked to make its report by 25 July.

The decision to make a reference to the commission does not prejudge the question whether or not the merger would be against the public interest. It is for the commission to report on this after investigation.

Merger proposals cleared

Roy Hattersley, Secretary of State for Prices and Consumer Protection, has decided on the information at present before him not to refer the following mergers to the Monopolies and Mergers Commission under the provisions of the Fair Trading Act 1973:

UK interests of the Eaton Corporation/the UK interests of Cutler Hammer Incorporated.
Royal Insurance Co Ltd/Aachener und Muenchener Versicherung AG.
British Aluminium Co Ltd/High Duty Alloy Extrusions Ltd.
National Enterprise Board/parts of Vickers Offshore Engineering Group.
Comet Radiovision Services Ltd/Caledonian Holdings Ltd.
London and Midland Industrials Ltd/ Caledonian Holdings Ltd.
Harris Queensway Group Ltd/Timberland Ltd.
Inland Financial Co Ltd/Cannon Assurance Ltd.

New scheme helps small and medium-sized firms

Details of a new scheme to assist small and medium-sized companies to borrow medium-term finance from the European Coal and Steel Community (ECSC) where announced on 28 March by Alan Williams, Minister of State for Industry.

Welcoming the new arrangement, Mr Williams said the scheme would allow small and medium-sized companies to take advantage of the lower interest rates made available by the ECSC. This was particularly valuable for a sector of industry which felt that, compared with the larger companies, it faced disadvantageous terms from the institutions.

The scheme will guarantee private sector borrowers against exchange losses arising from loans arranged through the Industrial and Commercial Finance Corporation (ICFC). The government has set a limit on its guarantees for exchange risk cover at a maximum of £10 million for 1979. The scheme, which emphasises the government's concern for regional policy, will apply to investment projects which create employment opportunities in those parts of the assisted areas affected by rundowns in the coal and steel industries.

Loans will be negotiated through ICFC under its existing arrangements with ECSC, but borrowers will be able to enter into an agreement with the operating departments, whereby losses arising from fluctuations in exchange rates will be met by the government. Some sterling loans will continue to be available through the ICFC as an alternative and for projects outside the assisted areas. The operating departments are the Department of Industry, for Scotland the Scottish Economic Planning Department, and for Wales the Welsh Office Industry Department.

ECSC lends up to 50 per cent of the fixed asset cost of sound investment projects which create employment opportunities for ex-coal and steel workers. The loans are for seven years at a fixed rate of interest. Depending on the number of jobs created, ECSC can provide an interest rebate of up to 3 per cent for the first five years. On the basis of current interest rates after taking account of the availability of interest rebates, a 1 per cent charge for exchange risk cover and ICFC's charge, the net cost to the borrrower will be 8¾ per cent. The maximum size of the loans is £1 million.

The scheme will operate on a trial basis until the end of 1979, but all loans agreed during the year will be covered for their duration.

Agricultural engineering scholarship scheme extended

The Department of Industry has extended for two more years the 1978-79 scheme for funding up to 15 one-year industrial scholarships in agricultural engineering at the National College of Agricultural Engineering (NCAE) in each academic year. The total cost is expected to be between £35,000 and £40,000 a year in 1979-80 and again in 1980-81.

The scholarships are being provided to enable suitably qualified engineers and managers to undertake postgraduate training in preparation for entry to the agricultural engineering sector of manufacturing industry. The scheme is designed to meet the need within the industry for high-calibre engineers and managers, appropriately trained in co-operation with the industry and aware of the special requirements of agriculture.

In selecting candidates for the award of scholarships, particular attention will be given to previous experience and training in the fields of industrial technology and management in the UK. The scheme will include Diploma, MSc, and MSc by research courses in

PUBLIC AUCTION SALE

BRISTOL

A public auction sale of surplus government furniture and equipment has been arranged at the DOE PSA Supplies Store, Bay 5, Ashton Vale Road, Bristol, Avon BS3 2HJ. The sale will commence at 10.00 hours on the 11 April 1979 and viewing will be allowed from 10.00 to 16.00 hours on the day previous.

The auctioneers are Messrs. Stanley, Alder and Price, 7 St. Stephens Street, Bristol, Avon BS1 1EG, telephone 0272 299151 and catalogues will be available directly from them, price 15p.

DIRECTORY OF AUSTRALIAN ASSOCIATIONS

First Edition 1978-79 (published Dec. 1978). Case bound. ISBN 0-9597565-0-7. 396p. Price Aus $39.00 per copy, plus postage: surface mail $2.00 or airmail $16.00 (U.K.) $11.00 (Nth America). The first comprehensive single listing of associations in Australia. Updated every 2 years with a Supplement between new biennial editions. First Supplement mid-1979. Completely revised Second Edition Dec. 1980.

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the fields of design manufacture and product management. Applicants will be required to meet the academic standards for entry to courses in accordance with the established criteria and procedures.

The scheme will be administered by the Agricultural Research Council and undertaken in co-operation with agricultural engineering manufacturers.

Further details of the scholarship scheme, courses and entry requirements are available from The Faculty Registrar, NCAE, Silsoe, Beds MK45 4DT, tel. Silsoe 60428.

BAA vortex insurance scheme extended

British Airports Authority's scheme for free insurance against personal injury or damage to roofs caused by vortices from aircraft approaching Heathrow airport from the east has been extended further and covers about 1500 homes.

The scheme was introduced originally in 1974 to provide insurance cover for 950 homes in part of the Cranford area. It was here that incidents of vortex damage to roofs first occurred, but the BAA extended the scheme in 1976 to include other parts of Cranford and parts of Heston, Hounslow and Hatton.

Some cases have occurred outside the present insured area, and the BAA has further extended the scheme to include another part of Hounslow and a part of East Bedfont.

The insurance provides personal injury cover for the householder and family, cover for the cost of repair to damaged roofs and any resulting damage, and cover for legal liability of the householder for personal injury or damage to property sustained by third parties. It will apply to all domestic dwellings – privately or publicly owned – within the new boundaries.

Prestwick tops airports poll

In the seven airports operated by the British Airports Authority their most popular feature is the amount of information available and the least popular the time taken for baggage reclaim, according to a survey taken last September. The results were published on 26 March.

The survey involved 5000 departure-lounge interviews, which showed Prestwick as the best-liked airport, followed by Gatwick. Heathrow was bottom of the list – a rating which reflects its congestion, says the British Airports Authority.

The efficiency of the security procedures and the range of airport shops also won approval in the survey. Business passengers, who tend to make greater use of public transport than leisure passengers, were particularly pleased with the Piccadilly Line service to Heathrow and the British Rail service to Gatwick. Road access generally – particularly at the Scottish airports – was also praised, and parking facilities were rated highly at Gatwick, Edinburgh, Aberdeen and Prestwick.

Official appointments

Roy Hattersley, Secretary of State for Prices and Consumer Protection, has made the following appointments.

National gas consumers' council. John Hudson as deputy chairman of the National Gas Consumers' Council until 31 March 1982.

Scottish gas consumers' council. Councillor Ron Tosh as chairman of the Scottish Gas Consumers' Council for a period of three years, to succeed Mrs Janie Buchan who has resigned.

Sir Derek Ezra re-appointed

Sir Derek Ezra has been re-appointed as chairman of the National Coal Board by Tony Benn, Secretary of State for Energy. The re-appointment is for a period of three years, beginning on 3 July. Sir Derek joined the National Coal Board in 1947 and has been a board member since 1965. He was deputy chairman from 1967 to 1971 and became chairman in July 1971. He was re-appointed as chairman for a further three-year term in July 1976. Other appointments currently held by Sir Derek include membership of the British Overseas Trade Board and chairman of the BOTB European trade committee.

Conditional awards of sixth round licences

Secretary of State for Energy Tony Benn announced on 26 March conditional awards of offshore petroleum production licences offered under the sixth round.

The conditional awards cover a total of 42 of the 46 blocks offered and involve 59 companies acting individually or in groups. The 42 blocks represent around 9 300 m^2 in the North Sea, north west of Shetlands and south western approaches.

The licences, conditional upon the companies reaching operating agreements with the British National Oil Corporation (BNOC) satisfactory to the energy secretary, will be awarded under the terms and conditions laid down in the Petroleum (Production) Regulations 1976 and 1978. Prospective co-licensees will also have to agree a work programme with the department.

BNOC will be a majority partner in sixth round licences. Where licence interests are held by the British Gas Corporation these will count towards the majority state share.

Proposal to ban novelties

For the first time notice has been given of an impending order under the Consumer Safety Act 1978. Proposals for an order to ban certain types of novelty were advertised in the press on 27 March.

The proposed order, to be made under section 3(1)(a) of the act, will be in general terms – not naming actual products or their constituents – in order to provide protection against the supply of novelties not at present available as well as those already known to the department. The advertisement invited representations on the proposed order to be made to the Department of Prices and Consumer Protection before 27 April.

Two products have so far been banned outright under the Consumer Protection Act – on 30 November 1978 – Tris-treated children's nightwear (SI 1978/1728), and on 17 January 1979 – balloon-making substances that contain benzene (SI 1979/44).

Food prices to be displayed

Cafes, restaurants, pubs and other establishments offering food and drink for consumption on the premises will have to display their prices from 30 July as a result of an order laid before parliament on 27 March by Robert Maclennan, Parliamentary Under Secretary of State for Prices and Consumer Protection.

For waitress service, prices will have to be displayed at or near the entrance to the cafe or restaurant so that they can be read by the customer before he enters. In practice this will be on or near the door for cafes which are entered directly from the street but, in the case of hotels and restaurant complexes, it will be immediately outside the room where the food is served. In the case of pubs and self-service restaurants or cafes, prices will have to be shown at the point where the customer makes his choice and, in appropriate cases, at the entrance to the servery as well.

Exceptions are made for bona fide clubs, works canteens, canteens in educational establishments and boarding and guest houses when food is offered only to people staying there.

Announcing the laying of the order, Mr Maclennan said that customers would now be able to decide whether a cafe or restaurant was within their price range before they felt committed to eating there. The clear display of prices in self-service restaurants would help people to judge value for money when choosing their food.

He said that in the case of pubs, food prices would have to be clearly shown as well as drinks prices, already required under existing regulations. 'In fact, we shall be looking for a significant improvement in the standard of price display for drinks when the provisions of the new order come into effect.'

'Consumers would also be protected against hidden charges and undisclosed extras,' Mr Maclennan said, as the order required minimum charges and additional charges, such as service and cover charges, to be clearly displayed and all prices quoted had to be inclusive of VAT.

The Price Marking (Food and Drink on Premises) Order 1979, SI 1979/361 is available from HMSO.

New publications

Annual accounts and the fourth directive

For British companies there are likely to be wide-ranging implications in implementation of the fourth EEC company law directive. Adopted by the council of ministers in July last year, the directive seeks to harmonise throughout the EEC, the preparation, presentation, audit and publication of the annual accounts of limited companies, and it will have a major impact on all UK companies and their advisers.

For those who are concerned about the effects that the directive may have on their organisation, two helpful, recently published guides will be of value in coming to terms with the problems posed. The first, from the Institute of Chartered Accountants, examines how the directive is likely to influence company accounting procedures – the amount of information to be disclosed and its presentation in the nine member states. It also contains a well laid-out alphabetical index to the directive and expresses the supranational interest by an excellent country-by-country listing of its probable impact. The presentation of this part serves as a commendable quick-reference guide for comparative purposes.

The second work examines the specific implications for the running of UK and Irish companies. Written by the international accounting firm of Whinney, Murray, Ernst and Ernst, it provides a detailed resumé of possible effects on all types and sizes of limited companies in both countries. A particularly useful feature is the provision of samples of imaginary accounts before and after the directive's implementation.

Both books should prove to be of practical value not only for accountants but also for affiliated professions notably company executives, bankers and investors.

Handbook on the EEC fourth directive: the impact on company accounts in the nine member states, by M. R. Clayton and others. Institute of Chartered Accountants in England and Wales, 1979. 158 pages; paperback £5.95 (ISBN 0 85291 222 6).

The fourth directive: its effect on reporting and accounting in the UK and Ireland, by Whinney, Murray, Ernst and Ernst. Kluwer Publishing, 1978. 138 pages. £8.50 (ISBN 0 903393 35 2).

Guide to business down-under

Organisations and individuals with an interest in Australia will be pleased to learn of a new directory of Australian organisations. Described by the publishers as 'the first comprehensive single listing of associations, societies, institutes and similar organisations active in varying fields of interest in Australia', it includes a wide range of non-profit-making bodies, ranging from national and state to regional and local level, and takes in several international organisations.

Subject coverage is also very broad – including commerce, industry, research and professional bodies. The amount of information provided for each entry varies somewhat, as may its reliability, since apparently not all organisations replied directly to the compiler's request for data, and information acquired through a secondary source may well have dated. Generally, however, the minimum information for each entry includes address, telephone number, and telex, while mention is also sometimes made of the scope and functions of the organisation and the names of its main officials.

This first edition has made a promising start but many entries need expanding. Readers can however track down associations without a name by using either the subject or geographic index. Also of great value are the two additional listings of untraced and defunct organisations. The directory which, we are told, is to be revised biennially with up-dating supplements included in the year following each new edition, should usefully supplement the Australian section on the directory shelf.

Directory of Australian associations 1978-79. Australian Reference Research Publications Ltd, 13 Pimento Place, New Lynn, Auckland 7, New Zealand. 1978. 396 pages. A$39.00 per copy (plus postage, A$2.00 (surface mail) or A$16.00 (UK air mail)) (ISBN 0 959 75650 7).

Industrial relations in Japan

A current picture of labour relations in Japan is provided in a recent report written by Alan Berry, director of the Coventry and District Employers' Association. Copies of the report, entitled 'Labour relations in Japan', are available price £1.50 per copy from the association at 18 Davenport Road, Coventry CU5 6PX.

Rosy view of Singapore

As the major trading centre of the world's current fastest economic growth area – south-east Asia – Singapore is the focal point for a potential market of some £230 million people. This rosy view is the starting point for a commercial appraisal of the business and investment opportunities in Singapore recently issued by Industrial Market Research Ltd.

While Singapore's potential for long-term economic growth remains one of the highest in the world, the authors point out that its rate of inflation continues to be among the lowest of the industrialised nations. And a sophisticated financial infrastructure and a well-developed transport system are among the many other inducements for exporters.

The report offers a wide-ranging survey covering main aspects of the economy (public and private sectors) and includes general background and social and economic information. There is also a more detailed examination of the import/export trade, including entrepot trade, and the major fields of business opportunity are identified, together with the various incentives available to overseas investors.

The report offers a comprehensive review of the economic climate in Singapore and, with its valuable statistical tables and appendices, should provide any company with a handy starting point in evaluating the business possibilities in this important area.

Singapore: a business appraisal. Industrial Market Research Ltd, 17 Buckingham Gate, London SW1. 1978. v, 154 pages: ringbound £72.00 (UK and surface mail, Europe £74.00).

European community explained

In June this year for the first time, Europeans have the opportunity to directly elect their own representatives to the European parliament. But, despite attempts in recent years to inform members of the public about the organisation and workings of the European community, there is still a great deal of ignorance about its precise terms of reference. So Hugh Arbuthnott's and Geoffrey Edwards' 'A common man's guide to the common market' has arrived at an opportune moment.

In their attempt to render the subject a little more comprehensible they have concisely covered each facet of the organisation and its policy. Each section is clearly arranged under headings with short chapters on each major topic – in effect an unofficial handbook. For those requiring more detailed information on any specific subject, there is also a list suggesting further reading. The authors present a balanced picture, providing the pros and cons on such emotive issues as regional and common agricultural policies, leaving the reader to form his own opinion.

A common man's guide to the common market, the European Community, edited by Hugh Arbuthnott and Geoffrey Edwards. Macmillan, 1979. 213 pp; hardback. £8.95 (ISBN 0 333 24456 7); paperback. £3.95. (ISBN 0 333 24457 5).

Bankruptcy records for England and Wales

Details of bankruptcies in England and Wales are maintained in a public search room at Room 901, Thomas More Building, Royal Courts of Justice, Strand, London WC2A 2JY.
Searches can be made personally or by an agent and a fee of 25p in respect of each bankruptcy inquiry is payable at the time.

Technology news

Test house accreditation scheme proposed

In a consultative paper published by the Department of Industry's National Physical Laboratory (NPL) on 27 March, NPL is proposed as the headquarters of a new British test house accreditation scheme (BTAS).

The main purpose of the scheme is to establish formal recognition of the competence of British testing laboratories, or test houses as they are commonly known. It is proposed that test houses which meet certain criteria should, if they wish, be accredited for defined fields of testing. The criteria would include provision of adequate staff, satisfactory testing facilities and procedures and, where relevant, traceability of measurements to recognised national standards.

There is a growing demand for a national accreditation scheme, from both test houses and their clients. This stems largely from the increasing need for manufacturers to obtain certification of their products, particularly those for export, for which testing in accredited laboratories is often required.

Many organisations already undertake their own assessments of test houses and it is proposed to co-ordinate existing accreditation arrangements into a single national scheme, since it is believed that a single scheme with government backing would carry greater authority. It would enhance the standing of the accredited test houses so that their competence would be more readily accepted and the need for clients to undertake their own assessments of test houses would be much reduced, relieving the test houses of much of the burden of multiple assessments. Accreditation with government backing would also be more readily accepted overseas. Many countries have introduced or are developing similar national schemes, so a UK national scheme would open up opportunities for negotiating reciprocal recognition of test houses, and help to reduce trade barriers.

The scheme would be open to any organisation within the UK carrying out objective testing. This includes not only independent test houses but also laboratories of manufacturers, retailers and purchasers which undertake testing for their own purposes and would wish to see their testing facilities accredited. No mandatory requirement to seek accreditation is proposed. It is hoped, rather, to attract test houses to join, by offering a scheme which meets the needs of British test houses and their users.

The consultative paper has been circulated to test houses, trade associations, professional institutions, and other organisations concerned with testing. Director of NPL Dr Paul Dean has asked for comments by 2 July.

Transatlantic packet-switching fully operational

The world's first public intercontinental packet-switched data service (IPSS) was formally inaugurated on 22 March.

This new service is being run in co-operation with three United States international record carriers – ITT Worldcom, RCA Globcom and Western Union International – who are responsible for IPSS at the American end. It gives access to American commercial computing networks – in particular Tymnet and Telenet.

These networks provide access to many computing systems, providing specialised processing facilities or storing information on a wide range of subjects – including administration and management, international and domestic law, medicine, fiscal and financial matters and different branches of technology.

These databases, maintained by US businesses and other organisations constitute up-to-date reference files on millions of facts of value to government, business, research, educational or financial institutions.

To obtain access to this information, UK users have first to apply to the British Post Office for connection to IPSS. This is achieved through a new international packet-switching exchange in London, to which customers gain access either over the UK's public telephone system or by private circuits. Eventually, this exchange will be linked to Britain's own inland packet-switched service (PSS), which is due to start early next year. In addition, intending users have to make separate arrangements with the proprietors of the particular database in which they are interested.

The service can support a wide range of asynchronous terminals, operating at normally accepted transmission rates between 110 bit/s and 1200 bit/s (except 600 bit/s). Because this public packet service uses protocols disciplined by CCITT recommendation X25 for the customer interface, IPSS also enables users to operate packet terminals working synchronously at 2400, 4800 and 9600 bit/s.

The IPSS tariff for UK users is made up of a single payment, an annual rental, and charges related to call duration and volume of data exchanged. In addition, standard inland charges apply – either public phone call fees, or private circuit rental – for access to the UK packet switching exchange.

Customers may obtain further information from ETE Customer Services Group, 7th Floor, St Alphage House, Fore Street, London EC2Y 5DA, tel. 01-432 5573, telex 889188 SERVE G.

Prestel is launched in London

Britain became the first country in the world to offer viewdata to the public when the Post Office launched its Prestel service on 27 March. At first this service is available to residential customers in London.

Later this year, the public service will become available to business users as well, and will then be extended to Birmingham, Manchester and Edinburgh. Coverage over the rest of the country will follow progressively during the next few years.

Prestel is based on the world-leading viewdata system invented at the Post Office's Research Centre. It puts Britain, says the Post Office, years ahead of any other country in the mass marketing of electronic information.

The information available through Prestel is stored on a computer and, therefore, the range of information that will eventually be available is almost limitless. Already, about 150 000 screen 'pages' covering a wide range of subjects are available. The information is provided by more than 100 organisations, including such well known names as British Airways, British Rail, Consumers Association, English Tourist Board, Financial Times, Good Food Guide, Guinness Book of Records, National Trust, Norwich Union, W. H. Smith, Sports Council, the stock exchange, and many others.

Prestel operates on a specially adapted colour tv set which is linked to a telephone line and can automatically call up the Prestel computer. The first Prestel sets are now being demonstrated at selected tv showrooms in London.

With each domestic set comes a small remote control, which allows viewers to change the channel and vary brightness and volume and select Prestel information.

Built into every user's set is its own unique Prestel code number for identification and billing purposes. This is automatically scanned by the Prestel computer everytime a call is made.

By following a simple guidance displayed on each page, users can follow a 'route' into the information store to find the particular page they want, by using the remote control unit or viewers can look up the page number in a printed directory, and select the page directly by pressing the appropriate buttons on the control. Three directories have already been produced for home users and they will be supplied free.

Customers pay for the phone call to the nearest Prestel centre and users will also be charged for the information they obtain – the price will depend on the organisation providing it. Some pages – advertisements for example – will be free, but other material will be chargeable. This is indicated on the page of information, and elsewhere – including the printed directories. There is also a charge for using the computer.

Users will always know how much the information has cost. At the end of each call, the Prestel charge for that particular call plus the cumulative total will be displayed. Users will be billed for these charges every quarter.

Addresses of ECGD offices

The Export Credits Guarantee Department (ECGD) is a government department providing export credit insurance for United Kingdom exporters and insurance against political risks for new investments overseas. Although credit insurance is its main service to exporters the department offers them a number of others. Firstly the bank guarantee scheme, enables exporters who are eligible to obtain export finance from their bank at a special low rate. Major projects carried out by British firms in overseas countries can be financed by the buyer credit technique which gives the exporter the bulk of his payment on shipment of the goods. Similar to this is the line of credit facility which extends the buyer credit principle to include contracts often with an individual value as low as £10,000. ECGD now insures 35 per cent of all UK exports. For full details of all ECGD services contact Publicity Branch, ECGD, Aldermanbury House, Aldermanbury, London EC2P 2EL, tel. 01-606 6699 ext. 258, telex 883601, or get in touch with one of the offices listed below.

Central London

London, EC1 to EC4, WC1 and 2, W1 and SW1.

B. M. Sidwell, Waverley House, 7–12 Noel Street, London W1V 3PB, tel. 01-437 2292 telex 24105.

South London

London SE, SW2–20 and W2–14, Kent, Surrey (excluding the administrative district of Spelthorne), East and West Sussex, Hampshire, the Isle of Wight and the Channel Isles.

J. M. Foster, 320 Purley Way, Croydon, Surrey CR9 4HL, tel. 01-686 9921 telex 946998.

North London

London N, NW, E, the southern parts of Essex, Hertfordshire and Buckinghamshire, the Slough, Burnham and Datchet area of Berkshire and the Spelthorne district of Surrey.

J. K. Sedman, 593-599 High Road, Tottenham, N17 6SW, tel. 01-808 4570 telex 263615.

Belfast

The six counties of Northern Ireland.

R. H. Forsyth, River House, High Street, Belfast, BT1 2BE, tel. 0232 31743 telex 74577.

Birmingham

Leicester, Nottinghamshire, Salop, Staffordshire, Warwickshire, West Midlands, the southern part of Derbyshire and that part of Hereford and Worcester formerly known as Worcestershire.

F. Wilmot, Colmore Centre, 115 Colmore Row, Birmingham B3 3SB, tel. 021-233 1771 telex 33132.

Bristol

Dyfed, Powys, Gwent, West, Mid and South Glamorgan, Gloucester, Avon, Wiltshire, Oxon, Dorset, Somerset, Devon and Cornwall. That part of Hereford and Worcester formerly known as Herefordshire, Berkshire except the Slough, Burnham and Datchet areas.

R. J. Stafford, 1 Redcliffe Street, Bristol BS1 6NP, tel. 0272 299971 telex 44248.

Cambridge

Bedfordshire, Cambridge, Norfolk, Northamptonshire and Suffolk, the northern parts of Essex, Hertfordshire and Buckinghamshire, and the southern part of Lincolnshire including the City of Lincoln.

R. Rand, Three Crowns House, 72–80 Hills Road,ad, Cambridge CB2 1NJ, tel. 0223 68801 telex 81624.

Glasgow

Scotland and the Outer Isles.

D. W. Miller, Fleming House, 134 Renfrew Street, Glasgow G3 6T1, tel. 041-332 8707 telex 77130.

Leeds

Durham, Tyne and Wear, Northumberiand, Cleveland, North, West and South Yorkshire, Humberside and the northern part of Lincolnshire.

W. Ford, West Riding House, 67 Albion Street, Leeds LS1 5AA tel. 0532 450631 telex 55125.

Manchester

Gwynedd, Clwyd, Cheshire, Merseyside, Greater Manchester, Lancashire, Cumbria, the northern part of Derbyshire and Isle of Man.

R. H. K. Hughes, Elisabeth House, St. Peter's Square, Manchester M2 4AJ, tel. 061-228 3621 telex 667756.

New products

New V-belt range in hexagonal

Optibelt of Shoeburyness, Essex, has developed a highly efficient range of double section V-Belts, incorporating an advanced, synthetic fibre monocord construction tension member which ensures great flexibility and low starch characteristics.

This new range which the company claims is the most comprehensive ever to be introduced on the British market incorporates 149 standard lengths in four sections – AA, BB, CC and DD.

Additionally, any length required between 2000 mm and 10 000 mm in any section, can be manufactured to special order.

The new Optibelt double V-belt is hexagonal enabling the belt to flex freely while driving several pulleys. Both sides of the belt can be used on these drives which are often referred to as 'serpentine' or 'snake' drives.

These advanced design monocord construction double V-belts incorporate all the standard Optibelt features including length stabilisation, antistatic, heat and oil-resistant properties together with dust protection.

Further information: circle 375.

Universal digital interface

'Superface' – a universal digital output interface is available from Datalab for its DL2000 Series multichannel waveform recording system. By using a design based on a microprocessor, Datalab has incorporated the coding and data format requirements of a wide range of programmable calculators, minicomputers, and digital peripherals into one universal interface. 'Superface' gives access to recorded information stored in up to 30 selected channels of the waveform recorder to allow computer analysis or bulk storage of analog waveforms.

The interface can be ordered in any one of six different configurations and can be easily altered by simply resetting a number of clearly marked selector switches. Configurations include serial and parallel data presentation, ASCII or binary coding and compliance with standards such as RS232-C and V24. The interface is made up of a printed circuit card which can be plugged into a designated slot in the DL2000 recorder control module, and a cable to make the connection between the rear panel mounted 50-way connector and the peripheral.

Further information: circle 376.

Freepost reader service

For further information on items in this section, circle the corresponding number on the reader services page near the end of the magazine.

Height measure gives in-the-round accuracy

A major development in height and depth gauge instrumentation which is capable of cutting inspection time by 75 per cent in many instances has been announced by the LK group of companies.

Called LK Height Check the new instrument combines operational simplicity with an advanced transducer system in a high-technology package to suit industrial requirements.

The company claims it can replace depth micrometers, vernier equipment and gauges in a wide range of engineering inspection applications, with a much greater degree of accuracy than is obtainable from these manually operated instruments.

Designed in a very compact form, the LK Height Check has digital readout and is electro-mechanically operated. It incorporates a unique transducer system, and enables direct absolute measurements in either imperial or metric measures to be made in either direction from any selected datum position over the 8 in (203 mm) measuring range in a matter of seconds with an accuracy of ±0.0005 in (0.01 mm).

The Height Check uses a rugged and accurate scale made up of a series of high-precision steel balls under compression in a stainless steel tube. These are scanned by a head mounted on the Height Check's probe carriage. Probe position is detected by changes in a magnetic field, and by scanning over six balls simultaneously, an averaging effect is achieved. This reduces the effect of any minute variations in ball size. Because it uses this system the instrument is capable of withstanding much harsher treatment. It is also completely impervious to attack by oils, metal contamination, and airborne dust.

The self-contained Height Check is mounted on a 305 mm square granite base and features a 457 mm column providing an adequate throat area for components.

Further information: circle 377.

New fume suppressant

A new fume suppressant, Fumetrol 208, for both decorative and hard chromium plating solutions has been developed by M&T chemicals Ltd of Birmingham. This addition to the Fumetrol suppressant range is a liquid and is used at very low concentration to give long lasting and more uniform control of chromic acid spray and fumes.

Fumetrol 208 is chemically stable and is classified as a permanent fume and spray suppressant. It need only be replaced when the suppression falls below a desired level. To restore its effectiveness only 1 pint of Fumetrol 208 needs to be added to every 1000 gals of the solution.

Further information: circle 378.

A crushing advance

The Sercopak from GS Compactors Ltd of Ickenham is a compactor for compacting industrial and domestic wastes in open topped skips or containers. The new machine is capable of handling most conventional waste.

The low capital cost, the flexibility of the sercompaction principle and the reduction in vehicle movements that result from waste compaction ratios of up to 6:1, make the Sercopak, claims the company, a most effective answer to increasing transport costs.

A further advantage over closed compactor systems, the company says, is the availability of an optional weighing device which enables the full skip or container to be weighed in situ.

Further information: circle 379

Facts in Focus

(Fourth edition 1978)

This inexpensive statistical compendium compiled by the Central Statistical Office brings together in 208 tables and 40 charts the essential figures in which there is great public interest, and indicates trends over a decade.

Eighteen topics – for example the economy, education, manpower and earnings, and the social services – are covered. An Index of Sources leads to more detailed information for deeper study. In addition, there is a section which provides data on EEC countries, showing where possible comparisons with Japan, the USA and USSR.

Facts in Focus is published as a paperback by Penguin Books in their Reference Series in association with Her Majesty's Stationery Office.

Price £1.50 ISBN 0 14 051.053 2

Obtainable from local bookshops or direct from: J. Barnicoat Ltd, PO Box 11, Falmouth, Cornwall.

Parliament

Monday, 26 March

Waste paper usage

Roger Moate (Faversham) asked the Secretary of State for Industry if he was satisfied with the present trends in the figures for the collection and recycling of waste paper by the United Kingdom paper and board industry, if he would publish the most recent figures, comparing them with previous years and what government encouragement was being given in this connection.

Mr Huckfield said statistics of usage of waste paper by the paper and board industry are published in Business Monitor PM 481. Statistics of actual collections are not available but approximations are given in the following table:

	UK mill consumption of waste paper (m tonnes)	Approximate UK collections (m tonnes)
1972	1.9	1.9
1973	2.1	2.1
1974	2.1	2.2
1975	1.7	1.8
1976	2.1	2.0
1977	2.1	2.1
1978	2.1	2.1

Bearing in mind the slow recovery in consumption of paper and board since 1975, the industry's recycling of waste paper, now representing 50 per cent of its total fibre usage, was a very commendable achievement.

The department was providing £23 million of financial assistance to encourage the industry to invest in new plant and technology to use still more waste paper. The projects being assisted would at full capacity use an additional 0.5 million tonnes or more of waste paper per year. Most still had to come into full operation.

Chinese footwear

Mike Noble (Rossendale) asked the Secretary of State for Trade what steps were being taken by his department to ensure that any trade in footwear with China did not result in additional import penetration of the United Kingdom market.

Mr Smith said that the UK-China economic co-operation agreement, which was signed recently by the Secretary of State for Industry, envisaged a significant expansion of two-way trade over the next few years. In considering the practical implementation of this agreement, the government would keep in mind the interests of individual domestic sectors which faced problems as a result of the level of import penetration, but had to consider also the country's commercial interests as a whole and the potential export opportunities in China.

Regional preferential assistance for Merseyside

Bob Cryer (Keighley) asked the Secretary of State for Industry if he would publish the figures for Merseyside special development area regional preferential expenditure for 1973-74, 1974-75, 1975,76, 1976-77 and 1977-78, including figures for total expenditure and per head of population.

Mr Huckfield, gave the following additional information (see *Trade and Industry* 23 March page 617).

EXPENDITURE ON REGIONAL PREFERENTIAL ASSISTANCE TO INDUSTRY

	1973-74	1974-75	1975-76	1976-77	1977-78 [1]
Merseyside special development area					
Total expenditure	£43m	£66m	£79m	£80m	£44m
Per head of population	£25.7	£39.6	£47.7	£48.3	£26.0

Notes (as previous reply) [1] The figure for 1977–78 does not include any payments of Regional Employment Premium which was discontinued in January 1977 as it was no longer felt to be effective. The figure for that year is therefore not directly comparable with the earlier years.

Small firms assistance

Andrew Welsh (South Angus) asked the Secretary of State for Industry what provision he had made for research, development and marketing assistance for small firms; where these were located and what was the cost.

Mr Huckfield said that the main vehicle for providing management assistance to small firms was the department's small firms service. The counselling arm of the service was able to advise on problems connected with research, development and marketing. If the experienced businessman who conducted the counselling could not themselves assist, the service would direct the client to the most appropriate source of help.

The small firms centres were located at Birmingham, Bristol, Cardiff, Glasgow, Leeds, Liverpool, London, Luton, Manchester, Newcastle and Nottingham. The counselling service in Scotland was operated through the Scottish Development Agency and in Wales through the Welsh Development Agency.

It was estimated that the small firms service in the financial year 1978–79 would cost just under £1 million.

Mr Welsh (South Angus) asked the Secretary of State for Industry what figures he had to show the cost per job created in the small and large industry sectors.

Mr Huckfield said that statistics relating to offers of regional selective assistance made under section 7 of the Industry Act 1972 from 1 March 1974 to 31 December 1978 were as follows:

	Number of projects	Estimated total project cost	Estimated employment created	Average cost per job	Government assistance under Industry Act 1972: Offers of regional selective assistance	Government assistance under Industry Act 1972: Estimated associated regional dev. grant paid under Pt I	Government assistance under Industry Act 1972: Average contribution per job
		£m		£	£m	£m	£
Firms employing 200 or less	1 923	489.5	55 900	8 753	35.4	43.6	1 412
Other firms	442	2 900.1	154 500	18 771	171.2	303.7	3 073

Payments for contracts

Andrew Welsh (South Angus) asked the Secretary of State for Industry what steps he was taking to speed up payments on government or nationalised industry contracts with small firms and what representations he had received on this subject.

Mr Huckfield replied that he had received no requests to speed up payments on government or nationalised industry contracts, nor had he received any representations on this subject. Payments on contracts by the nationalised industries came within their commercial competence. Access to public sector contracts for small firms was a matter currently under consideration in the department.

Microelectronics awareness campaign

T. H. H. Skeet (Bedford) asked the Secretary of State of Industry if he would give details of the awareness campaign at present being conducted by his department on microelectronics.

Mr Huckfield said the government's awareness campaign had four strands: a workshop programme aimed at the top 3000 managers of the leading 1000 companies; co-operation with the Trades Union Congress on supporting its own programme of awareness; support for the Confederation of British Industry proposal for joint CBI/TUC visits abroad on a pilot basis; co-ordination with conference organisers and others, such as local groups, including TUC groups, holding general awareness seminars.

Ministers

Department of Industry

Secretary of State: Eric Varley
Ministers of State: Alan Williams
Gerald Kaufman
Parliamentary Under-Secretary of State: Leslie Huckfield

Department of Trade

Secretary of State: John Smith
Parliamentary Under-Secretaries of State: Michael Meacher
Stanley Clinton Davis

Department of Prices and Consumer Protection

Secretary of State: Roy Hattersley
Minister of State: John Fraser
Parliamentary Under-Secretary of State: Robert Maclennan

Shipbuilding intervention fund

Margaret Bain (East Dunbartonshire) asked the Secretary of State for Industry if he would list the total sums of money awarded to individual British shipyards under the provisions of the intervention fund since its inception.

Mr Huckfield replied that details of assistance to individual yards were commercially confidential. The total amount of assistance offered from the shipbuilding intervention fund in the two years ending February 1979 was £60.2 million, about 57 per cent related to ships being built in Scottish yards.

Shipyard employment

Margaret Bain (East Dunbartonshire) asked the Secretary of State for Industry if he would list the total number of employees in each British shipyard on vesting day and at the most recent available date.

Mr Kaufman said he understood from British Shipbuilders that the numbers of employees at shipyards owned by them in July 1977-February 1979 were:

	At July 1977	At February 1979
Ailsa Shipbuilding Co Ltd	376	531
Appledore Shipbuilders Ltd	854	870
Austin and Pickersgill Ltd		
Southwick	1 986	2 982
South Dock	934	—
Brooke Marine Ltd	876	873
Cammell Laird Shipbuilders Ltd	5 283	4 496
Govan Shipbuilders Ltd		
Govan	4 251	4 022
Scotstoun	1 375	1 384
Hall Russell and Co Ltd	736	770
Robb Caledon Shipbuilders Ltd		
Dundee	1 015	1 047
Leith	585	725
Scott Lithgow Group Ltd		
Bowling	204	226
Cartsburn and Cartsdyke	2 888	2 941
Glen/Kingston	2 767	2 706
Port Glasgow	362	405
Smith's Dock Co Ltd		
Haverton Hill	1 747	1 343
South Bank	2 049	2 289
Sunderland Shipbuilders Ltd		
Deptford	1 649	1 696
North Sands	1 604	1 474
Pallion	1 329	1 308
Swan Hunter Shipbuilders Ltd		
Clelands	490	522
Goole	423	442
Hebburn Dock	1 427	813
Hebburn Yard	2 189	1 005
Neptune	2 690	2 434
South Shields	95	—
Walker	1 789	1 718
Wallsend	3 041	4 190
Vickers Shipbuilding Group Ltd	9 540	9 089
Vosper Thornycroft (UK) Ltd		
Paulsgrove	723	1 066
Woolston	3 490	3 609
Yarrow (Shipbuilders) Ltd	5 350	5 557
	64 117	62 533

Figures are not available for privately owned yards.

Outstanding loans

Michael Grylls (North West Surrey) asked the Secretary of State for Industry if he would name the companies in which he had a shareholding that had loans outstanding at 31 March 1978 under the Industry Act 1972 and other loans, including capitalised interest.

Mr Huckfield said the firms were Kearney and Trecker Marwin, Wolverhampton Industrial Engines, Beagle Aircraft (in liquidation) and Upper Clyde Shipbuilders (in liquidation).

Meriden loans

Michael Grylls (North West Surrey) asked the Secretary of State for Industry what interest had been paid by the Meriden Motorcylce Co-operative on its government loans in the years 1976-77, 1977-78 and 1978-79, whether he expected interest to be paid in the year 1979-80; and if he would make a statement of his policy towards the future of the co-operative.

Mr Huckfield said that interest on the government loan to this company of £4.2 million was payable half-yearly, falling due for payment on 30 June and 31 December. The instalment that was due on 30 June 1976, amounting to £128,589.05 was paid on 21 July 1976. The payment of subsequent instalments up to and including that falling due on 31 December 1978 was deferred under the arrangements announced on 7 February 1977.

Dividends received

Michael Grylls (North West Surrey) asked the Secretary of State for Industry what interest he expected to receive in 1978-79 and in 1979-80 on shares held in each of the following companies: Wolverhampton Industrial Engines Ltd, Norton Villiers Triumph, KTM Machine Tools (Holdings) Ltd, Kearney and Trecker Marwin Ltd, and Dunford and Elliot Ltd.

Mr Huckfield replied that in 1978-79 £60,572 was received for this department's holding of Dunford and Elliot, 12½ per cent unsecured loan stock 1980-81 and £170,765 for the 13¼ per cent cumulative redeemable preference 'B' and 'D' shares in Kearney and Trecker Marwin Ltd. The latter receipts included some deferred dividend. The secretary of state expected to receive returns in accordance with the fixed rates in 1979-80. No dividends had been declared by the other companies in 1978-79.

Ford car plant

Kenneth Clarke (Rushcliffe) asked the Secretary of State for Industry whether he had taken steps to ensure that financial assistance offered by the French government to the Ford Motor Company to induce that company to site a new assembly plant in Lorraine did not exceed EEC guidelines.

Mr Huckfield said that he understood that France was only one of the countries Ford was currently considering for its new plant. Should the investment be placed in an EEC country and assistance offered, the member state would have to inform the commission in the usual way.

BSC acquisitions

T. H. H. Skeet (Bedford) asked the Secretary of State of Industry whether he proposed to sanction the acquisition by the British Steel Corporation of Cindu-Chemie NV and if, in view of the deficits of the corporation, he proposed to give assistance towards the purchase.

Mr Huckfield replied that the secretary of state had agreed to the acquisition by British Steel Corporation (International) of a majority in Cindu Chemie. All the purchase money would be found by BSC (International), from the proceeds of disposals of other overseas investments.

Mr Skeet also asked whether the secretary of state proposed to sanction the purchase of the steel stockholders, Dunlop and Ramken Ltd and how was the acquisition to be financed.

Mr Huckfield said that the secretary of state had given consent under section 3(3) of the Iron and Steel Act 1975 to this acquisition. The purchase was being financed out of sums received by the corporation under section 18 of the act within the agreed cash limits for 1978-79.

Tuesday, 27 March

Tanning industry

Sir Donald Kaberry (Leeds North West) asked the Secretary of State for Industry what proposals he had for the encouragement of a more active tanning industry in the United Kingdom.

Mr Huckfield said that companies in the tanning industry had received assistance totalling £3.4 million under the provisions of the 1972 Industry Act. The department was ready to consider any further applications under those provisions and other schemes of assistance within its responsibility.

Price Commission investigation

Esmond Bulmer (Kidderminster) asked the Secretary of State for Prices and Consumer Protection whether he would list those companies that had been subjected to an investigation by the Price Commission together with the maximum return on capital employed that was considered acceptable in the activity under investigation of the commission at that time.

Mr Maclennan replied that the Price Commission had completed the following investigations under sections 4 or 5 of the Price Commission Act 1977:

Fuel cost adjustment for the supply of electricity.
Barclays Bank Ltd: charges for money transmission services to the Post Office, the British Gas Corporation and the Electricity Council.
Metal Box Ltd: open top food and beverage cans and aerosol cans.
Fisons Ltd Agrochemical Division: agrochemical and horticultural products.
UG Glass Containers Ltd: prices of glass containers.
Tate and Lyle Refineries Ltd: sugar and syrup products.
British Railways Board: increases in passenger fares.
Margins of coal merchants in west Wales.
The Ever Ready Company (Great Britain) Ltd: dry (primary) batteries.
Cadbury Schweppes Foods Ltd: grocery products.
Imperial Chemical Industries Ltd: sodium carbonate.
Weetabix Ltd: cereal and muesli products.
Allied Breweries (UK) Ltd: brewing and wholesaling of beer and sales in managed houses.
Southalls (Birmingham) Ltd: sanitary protection and other hygiene products.
IPC Magazines Ltd: increases in cover prices.
Thames Water Authority: water, sewerage and environmental services.
The Associated Portland Cement Manufacturers Ltd: increases in cement prices.
South of Scotland Electricity Board: price increases for the supply of electricity.
London Transport Executive: increases in passenger fares.
CPC (United Kingdom) Ltd: increases in the prices of maize starch, glucose syrups, starch-derived and glucose-derived products.
British Gypsum Ltd: increases in the prices of gypsum-related products.
Trust House Forte Hotels Ltd: charges for hotel services in the United Kingdom.
Lever Brothers Ltd: soaps, detergents and related products.
Royal Doulton Tableware Ltd: china and earthenware and tableware and ornamental items.
Proctor and Gamble Ltd: soaps and detergents.
Imperial Tobacco Ltd: cigarettes and cigarillos.
General Paper and Box Manufacturing Company Ltd and Rizla Ltd: cigarette paper booklets, filter tips and accessories.
Air Products Ltd: merchant industrial gases.
Dollond and Aitchinson Group: prices, charges and margins for optical products.
Thermos Ltd: vacuum ware.
Butlins Ltd: tariffs of the main holiday centres in the United Kingdom.
BOC Ltd: compressed permanent gases and dissolved acetylene sold in cylinders, cylinder rentals and fixed charges.
The Daily Telegraph: cover price of the *Daily Telegraph*.

It was not the practice of the Price Commission to indicate an acceptable maximum return on capital, either generally or in relation to a particular sector. The commission considered the price increase under investigation in the light of the company's individual circumstances and of the statutory criteria. Return on capital was only one of a number of factors which the commission took into account.

CRO staff

Robert Taylor (Croydon North West) asked the Secretary of State for Trade how many staff were currently employed at Companies House at Cardiff and how this total compared with the number employed at the London office before the transfer.

Mr Clinton Davis said that on 19 March 1979 the number of staff employed at the Companies Registration Office, Cardiff, was 868½. On 1 April 1976 the number of staff employed at Companies House in London was 1081. These two figures were not directly comparable, as 224 staff continued to be employed in the London search room.

Contracts for small firms

Andrew Welsh (South Angus) asked the Secretary of State for Industry what steps he had taken to encourage more sub-contracting to small firms by large companies receiving government or nationalised industry contracts and if he intended to legislate or take any other action.

Mr Huckfield replied that government departments were required to follow the practice of obtaining best value for money in their purchasing policies. Procurement policy in the nationalised industries was a matter for their commercial judgement. He had, however, no evidence to suggest that small firms did not achieve a reasonable share of subcontracts relating to government contracts. Government policy was to ensure that small firms were not hindered by lack of knowledge in obtaining government contracts direct and the Small Firm Service would in the near future, be issuing a booklet on this subject to help small firms.

Microelectronics support

T. H. H. Skeet (Bedford) asked the Secretary of State for Industry what was the amount of state support for the microelectronics industry in the United Kingdom and other leading EEC countries.

Mr Huckfield said that direct support for the UK microelectronics industry by the department was at present almost £5 million per year and was planned to total £70 million over the next five years. In addition the National Enterprise Board had announced a £25 million investment in Inmos and the government had also launched a £55 million programme in support of microprocessor applications part of which would flow into the microelectronics industry itself. Thus excluding spending on defence, and on opto-electronics, public funds totalling £150 million had been committed in support of the microelectronics industry and in encouragement of the use of microprocessors. The French had announced a 600 million French franc programme of direct support for its industry over the next five years and the Federal Republic of Germany was believed to be spending about 40 million marks.

Wednesday, 28 March

T. H. H. Skeet (Bedford) asked the Secretary of State for Industry if he would indicate in some detail the general areas where manganese modules were locatable and the size of the areas of sea bed involved and if he would list those islands in the Pacific Ocean that were located within or near to areas where magnanese modules were known to exist.

Mr Huckfield said that the evidence available suggested that about 15 per cent of the ocean floor (55 million km²) might be occupied by manganese nodules, but that only a small proportion of such nodules were of sufficient grade and abundance to make their recovery commercially interesting at the present time. Most interest focused on an east-west belt of the Pacific Ocean lying between latitudes 6° 30′ N and 20° N, with Clarion, Clipperton and Revillagigedo islands at its eastern end and the Hawaiian islands near its western end.

Thursday, 29 March

Passenger vehicle trade with EEC

Neil Marten (Banbury) asked the Secretary of State for Trade what was the balance of trade in passenger vehicles with the EEC in 1971 and 1978.

Mr Meacher said the crude trade deficit (imports valued cif minus exports valued fob) in passenger motor cars with the EEC as currently constituted was £59 million in 1971 and £1,010 million in 1978.

Harp seal products

Robert Rhodes James (Cambridge) asked the Secretary of State for Trade what quantity of harp seal products was imported into the United Kingdom from Canada.

Mr Meacher said imports of harp seals and their products were not separately distinguished in the UK overseas Trade Statistics. Following were the numbers of fur skins of sea-lions, fur-seals and other seals imported from Canada as country of origin in the period February 1978 to January 1979: complete raw fur skins 19 347, tanned or dressed fur skins 405. The latter figure included fur skins assembled in plates, crosses and similar forms.

Chloroform in toothpaste

Bob Cryer (Keighley) asked the Secretary of State for Prices and Consumer Protection what action he proposed to take regarding chloroform in toothpaste in the light of studies in the United States of America which indicated that chloroform was carcinogenic in animals.

Mr Fraser said after consideration of the expert advice he had asked officials to prepare amendments to the cosmetic products regulations so as to prohibit chloroform in non-medicinal toothpastes. These draft amendments would be circulated to interested bodies for comment.

Consumer credit act

Tom Arnold (Hazel Grove) asked the Secretary of State for Prices and Consumer Protection what recent representations he had received from members of the public, from the clearing banks, from the merchant banks, and from secondary banks and finance houses, respectively, about the working of the Consumer Credit Act.

Mr Frazer replied that one clearing bank had made representations about section 75. A few letters had been received from members of the public on other provisions of the act, some of which inquired when further provisions were to come into operation. The clearing banks and finance houses (which included the secondary banks) had made representations in response to consultation on regulations which he proposed to make under the act. All such representations were considered with great care. The clearing banks had also sought partial exemption from certain provisions of the act. He had received representations opposing such exemption. The merchant banks had made no representations.

Preston employment area

Stan Thorne (Preston South) asked the Secretary of State for Industry whether he would list those projects in the Preston and West Lancashire employment area which had received selective assistance within the terms of the Industry Act.

Mr Huckfield said the following offers of assistance had been made under the Industry Act 1972 in the period 1 March 1974 to 31 January 1979:

SECTION 7 REGIONAL SELECTIVE ASSISTANCE

Number	Value	Estimated total projects cost	Estimated employment involved
77	£3.9 million	£41.9 million	4 232

SECTION 8 SELECTIVE FINANCIAL ASSISTANCE

Number	Value	Estimated total projects cost
18	£0.7 million	£3.8 million

Lists of companies in receipt of section 7 offers over £10,000 together with the location of the projects concerned were published quarterly in *Trade and Industry* in accordance with the arrangements announced by the then Secretary of State for Industry on 31 July 1974. Similar arrangements also existed for section 8 assistance amounting to £5,000 or more.

British Shipbuilders

David Knox (Leek) asked the Secretary of State for Industry what estimates his department had received from British Shipbuilders relating to the number of people likely to be employed in each of the next five years in British Shipbuilders and what had been the amount spent on redundancy payments in each of the last five years and what amount he expected to be paid in each of the next five years in the light of its corporate plan.

Mr Huckfield replied that British Shipbuilders had made payments totalling £4.52 million under the shipbuilding redundancy scheme since November 1978, the cost of which was borne by the government. Payments under the Redundancy Payments Act 1965 and the Employment Protection (Consolidation) Act 1978 were matters for British Shipbuilders. British Shipbuilders' corporate plan contained estimates of the employment implications of the options discussed in it, but these estimates were confidential.

Friday, 30 March

National tyre gauge testing scheme

Andrew Faulds (Warley East) asked the Secretary of State for Prices and Consumer Protection when he expected to introduce a voluntary national tyre gauge testing scheme, following the establishment in May 1977 of the departmental working party.

Mr Fraser said, following his earlier reply (*Trade and Industry*, 30 March, page 672), that the voluntary national tyre gauge testing scheme would be launched on 14 May.

Public bodies' expenditure

Kenneth Baker (City of Westminster, St Marylebone) asked the Secretary of State for Prices and Consumer Protection if he would estimate in the case of each quasi-autonomous non-governmental organisation for which he was responsible its total expenditure in the current year and its total expenditure on administration, accommodation and general services, defined to include items such as salaries, telephones and postage, rent, rates, heating, travelling, transport, office equipment.

Mr Hattersley said that there was no official definition of the term 'quasi-autonomous non-governmental organisation'. The information tabled below related to relevant public bodies to which he was responsible for making appointments.

ESTIMATED EXPENDITURE FOR 12 MONTHS ENDING 31 MARCH 1979 £

	Total	Total on administration, accommodation and general services
Advisory committee on the safety of household electrical equipment [1]	13	13
British Hallmarking Council	12 400	12 400
	No costs fall on public funds	
Central Transport Consultative Committee	289 000	289 000
11 Area Transport Users' Consultative Committees		
Consumer Protection Advisory Committee [1]	nil	nil
Domestic Coal Consumers' Council [1]	68 000	68 000
Electricity Consumers' Council	716 000	716 000
12 Area Electricity Consultative Councils [1]		
Hearing Aid Council	15 000	14 000
	No costs fall on public funds	
Metrication Board	932 000	511 000
Monopolies and Mergers Commission	792 000	792 000
National Consumer Council		
Scottish Consumer Council [1]	664 000	664 000
Welsh Consumer Council		
National Gas Consumers' Council [1]		
12 Regional Gas Consumers' Councils	791 000	791 000
Office of Fair Trading	1 977 000	1 914 000
	Offset by receipts of 1 369 000	
Post Office Users National Council		
Post Office Users' Council for Northern Ireland [1]	193 000	193 000
Post Office Users' Council for Scotland		
Post Office Users' Council for Wales		
Price Commission	7 293 000	7 293 000

[1] Information not available on cost of assistance provided by civil servants.

Industrial development certificates

Michael Morris (Northampton South) asked the Secretary of State for Industry how many applications he had received for industrial development certificates in each economic planning region in England and Wales for each year since 1974-75 and how many in each case were granted.

Mr Huckfield replied that the following table showed the number of schemes of 15 000 sq ft and over for which applications for industrial development certificates were decided during the financial years 1974-75 to 1977-78

		1974-75	1975-76	1976-77	1977-78	1978-79
Wales	Approvals	16	8	12	4	12
	Refusals	Nil	Nil	Nil	Nil	Nil
Yorkshire and Humberside	Approvals	157	122	149	139	112
	Refusals	Nil	Nil	Nil	Nil	Nil
East Midlands	Approvals	128	109	166	170	124
	Refusals	5	Nil	1	Nil	Nil
South-East	Approvals	359	276	307	407	382
	Refusals	32	8	5	8	5
South-West	Approvals	93	61	60	89	82
	Refusals	1	3	1	Nil	Nil
West Midlands	Approvals	114	159	169	177	133
	Refusals	10	4	Nil	Nil	Nil
North-West	Approvals	160	126	145	148	166
	Refusals	Nil	Nil	Nil	Nil	Nil

Note: IDCs are not required in development areas of special development areas. These include the whole of the northern region, most of Wales and parts of the south-west, north-west and Yorkshire and Humberside regions.

Nuclear magnetic resonance

Renée Short (Wolverhampton North East) asked the Secretary of State for Industry what help he was giving research into nuclear magnetic resonance technology, and what action he was taking to ensure British companies exploiting this research commercially worldwide.

Mr Williams said that research into nuclear magnetic resonance technology was being supported at several universities in the UK from public funds and support was being given, through various government agencies, to industrial companies which were exploiting the technology.

The technology was being exploited commercially to make instruments for analysing the structure of complex chemicals and it showed promise as a method of clinical diagnosis since, using it, it was possible to obtain images of the internal organs of the human body. None of the research was being supported from DoI funds but the department was closely in touch with the situation and aid was available for projects which had commercial promise.

Cost of living comparisons

Hugh Jenkins (Wandsworth, Putney) asked the Secretary of State for Prices and Consumer Protection if he would compare the cost of living with the average wage in 1973 and 1979.

Mr Maclennan said that between January 1973 and January 1979, the latest month for which comparable information was available, the general index of retail prices rose by 129.6 per cent while the index of average earnings (older series) increased by 140.7 per cent on a seasonally adjusted basis.

Textile tariffs

Mike Noble (Rossendale) asked the Secretary of State for Trade what would be the outcome for textile tariffs, comparing possible levels in the United States with those proposed for Europe, if the present proposals in the Tokyo Round were implemented.

Mr Smith replied that under the present proposals, the EEC textile tariff against imports from the United States would be reduced by about a quarter on average, and the United States' textile tariff against imports from the EEC would be reduced by a little under a third on average. The precise figures were confidential at this stage.

Cocoa prices

Arthur Lewis (Newham North West) asked the Secretary of State for Prices and Consumer Protection in the light of the current glut of cocoa and the dramatic drop in its world price, if he would refer the retail price of chocolate and other products containing cocoa to the Price Commission for examination.

Mr Maclennan said as with other commodities, cocoa was traded in futures, the present fall in world prices could not be reflected at the retail level for some months. There were no plans to direct the Price Commission to examine cocoa products.

Have you a good industrial news picture?

Pictures are published in *Trade and Industry* each week showing developments in British industry. If your company has introduced an interesting new product, if you have received an award, if you have developed a novel manufacturing process, if you have produced the biggest or smallest or heaviest or (you feel) the best designed product, you are welcome to send us a photograph with a short news story. Contributions should be sent promptly – while the subject is still newsworthy – to the Editor, *Trade and Industry*, Eighth Floor, 1 Victoria Street, London SW1H 0ET.

European community news

Ministers agree budget formula

At the budget council on 22 March eight member states, including the UK, were able to agree to a formula intended to avoid a repetition of the situation arising from the 1979 budget.

The council as a whole had been unable to achieve the unanimity necessary for a council resolution on the introduction of an internal working procedure for the handling of future budgets.

Minister of State at the Foreign and Commonwealth Office Frank Judd told the House of Commons in a written answer on 28 March that the budget council had met to consider a possible council resolution on future budgetary procedure and the proposals contained in the commission's preliminary draft supplementary and amending budget for 1979.

He said that the formula agreed on by eight of the member states would involve no change in the treaty provisions. It ought to ensure that in future the council's decisions on individual budget items were consistent with its views on the maximum rate of increase applicable to non-obligatory expenditure – despite the different voting rules which applied to those decisions. These eight member states had agreed also to record in the minutes of the council their agreement to this procedure and their intention to act in future in accordance with it, Mr Judd said.

Employment ministers in discussion

Worksharing in the community's fight against unemployment was one of the main subjects discussed at the informal meeting of EEC employment ministers on 9 and 10 March.

In a written parliamentary answer on 27 March, employment secretary John Grant said ministers had also discussed ways of developing the consultative relationship with social partners in future tripartite conferences.

In addition, brief discussions were held on arrangements for worker participation in industry in member states.

Energy council to consider oil price rises

EEC energy ministers will meet in a month's time in Brussels to consider the rise in oil prices announced by the Organisation of Oil Producing and Exporting Countries (OPEC) on 27 March.

Speaking at a meeting of the Association of Economic Representatives in London on 28 March, Minister of State for Energy Dr Dickson Mabon said that he had to admit to being disappointed by the decision to increase Opec prices above the levels agreed on in December. The decisions of the International Energy Agency and the EEC to reduce oil demand had been made in the belief that such measures would restore equilibrium to the world oil market without causing serious damage to the world economy.

The minister said that these further increases could only damage economic growth prospects, and that energy ministers, had agreed to make a considered response to the Opec decisions.

EEC business in April

Minister of State at the Foreign and Commonwealth Office, Frank Judd, told the House of Commons on 27 March of the main European community business which would take place during April.

At present five meetings of the council of ministers are proposed for April.

Mr Judd said that a joint foreign affairs and finance council would meet on 2 April and would consider two commission discussion papers, 'Financing the community budget – the way ahead' and 'A global appraisal of the budgetary problems of the community'.

The foreign affairs council would meet on 2 and 3 April and would discuss the relaunching of the EEC-Turkey association agreement, relations with Yugoslavia, and preparations for Unctad V. Ministers would also review the position reached in the General Agreement on Tariffs and Trade multilateral trade negotiations and will discuss negotiations with China for an agreement over trade in textiles. The council would prepare for the next, and possibly final, meeting at ministerial level of the Greek accession negotiations, which would take place immediately after the council, and would again consider revised commission proposals concerning specific aids given by member states to the steel industry.

The environment council were due to meet on 9 April for a general exchange of views on environmental policy, which was expected to include discussion of commission papers on waste management, clean technologies, guidelines for the assessment of the possible impact on the environment of any proposed building or construction work, and European conventions on the quality of life.

The agriculture council would meet on 9 and 10 April to continue discussion of the 1979-80 community agricultural policy price proposals.

A finance, or special fiscal, council might meet on 23 April to resume discussion of interest rate subsidies to be paid to the less prosperous members of the European monetary system exchange rate mechanism, and might also consider the harmonistion of excise duty on alcoholic beverages and the three draft directives concerned with VAT.

More community news

Information on European community matters and about member states can often be found in other sections of *Trade and Industry*. For this week's additional news, turn to the following pages:

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New scheme helps small and medium-sized firms 6

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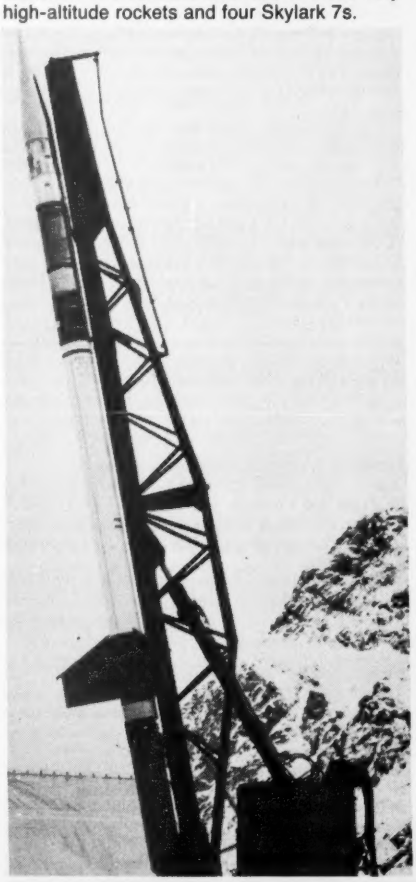
Skylark research rockets for Germany

British Aerospace Dynamics Group at Bristol has won a £600,000 contract from the Federal Republic of Germany for six Skylark research rockets. Seen here is a 3-stage Skylark 12 on a launcher. The contract is for two of these very high-altitude rockets and four Skylark 7s.



Transport proposals under consideration

Transport secretary William Rodgers listed the following EEC proposals, now under consideration in council working groups or by the committee of permanent representatives, in answer to a parliamentary question on 16 March. These proposals could therefore be expected to be discussed by a council at some stage.

Amendments to the framework directive for motor vehicle type approval; amendment to the fuel tank directive and draft directives on those components for which provision still has to be made before whole vehicle type approval for cars can be fully achieved – *viz*, safety glass, tyres and weights and dimensions;

Draft directives for wheeled agricultural or forestry tractors, on lighting and light signalling devices, reverse gear and extension of the scope of all tractor directives to include those with design speed up to 32 kph;

Draft framework directives on moped and motorcycle type approval;

Proposed regulations on international rail freight rates and on normalisation of railway accounts;

Draft directive on the weight and certain other characteristics of road vehicles used for the carriage of goods;

Draft directive on the harmonisation of laws relating to motor vehicle driving licences;

Possibility of an amending regulation to change the definition of the working week for the purposes of the drivers' hours regulation 543/69;

Proposed regulations on short-term community authorisations, and on the adjustment of capacity, for the carriage of goods by road for hire or reward between member states;

Proposed regulation on liberalisation of own-account haulage by road;

Proposed decision concerning acceptance by the community of Economic Commission of Europe resolution 119 on standardisation of road haulage permits;

Draft directive on the duty-free entry of fuel in tanks of commercial vehicles;

Draft directive for adjustment of national taxation systems for commercial road vehicles;

Proposed regulation on community financial aid to transport infrastructure projects which are of community interest;

Proposals for further regulations on the accounting system for transport infrastructure expenditure;

Draft regulation on the observation of the freight market, in abeyance for three years pending an experiment with the voluntary collection of statistics about road haulage;

Additional protocol (which awaits finalisation with Switzerland) to the revised convention for the navigation of the Rhine.

Regenerated cellulose film report available

The scientific committee for food, an advisory committee on the EEC, has reported to the commission on the toxicological acceptability of substances used in the manufacture of regenerated cellulose film intended to come into contact with foodstuffs.

The commission is now considering the committee's advice on whether to modify the draft directive issued on September 1976 on this type of rcf (commission working paper 2642/VI/76).

Copies of the committee's report can be obtained from HMSO (90p plus 9½p postage), under the title 'Reports of the scientific committee for food – sixth series' (ISBN 92 825 0650 9).

Inquiries and requests for copies of the commission working paper should be addressed to John Robbs, Ministry of Agriculture, Fisheries and Food, Great Westminster House, Horseferry Road, London SW1, tel. 01-216 7223.

Lomé negotiations continue

Negotiations to find a successor to the Lomé convention continued at the joint African, Caribbean and Pacific states/EEC conference in the Bahamas from 22 to 24 March. The current convention runs out in 1980.

The British delegation was headed by Minister of State at the Foreign and Commonwealth Office, Frank Judd. He was accompanied by officials from the FCO, the Ministry of Overseas Development and the UK's permanent representation to the European communities.

New legislation

The legislation listed below has been published in the *Official Journal of the European Communities* as indicated against each item. The *Official Journal* is published in English and copies should be obtained from HMSO. Information about the items listed, in so far as other member states' requirements are concerned, is available to British exporters from Department of Trade, Export Services and Promotions Division, Export House, 50 Ludgate Hill, London EC4M 7HU, tel. 01-248 5757 ext. 7174/482/408.

Harmonisation of legislation

Direct life assurance. The *Official Journal of the European Communities* L63, 13 March 1979 contains the text of directive 79/267/EEC on the co-ordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of direct life assurance. Copies of the *Official Journal* may be obtained from HMSO price 60p plus postage.

Common customs tariff

Regulation (EEC) 484/79 on the classification of certain yarns for fishing lines under subheading 39.07 E IV of the common customs tariff. (*Official Journal* l 64, 14 March 1979).

Regulation (EEC) 485/79 determining the conditions of entry of horses intended for slaughter under subheading 01.01 A II of the common customs tariff. (*Official Journal* L64, 14 March 1979).

ACP/EEC convention of Lomé

Regulation (EEC) 527/79 amending the list of countries and territories in regulation (EEC) 706/76 on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the African, Caribbean and Pacific States or in the overseas countries and territories, concerning the list of countries and territories. In annex 1 to regulation (EEC) 706/76, the words 'Dominica', 'Solomon Islands' and 'Tuvalu' shall be deleted. (*Official Journal* L71, 22 March 1979).

Imports from non-member states

The *Official Journal of the European Communities* L69, 20 March 1979 contains the texts of the following decisions which authorise the relevant states to refuse entry to the specific goods. The decisions relate to varying periods; full details are set out in the relevant decisions.

Decision 79/282/EEC authorising France not to apply community treatment to gloves, mittens and mitts, knitted or crocheted, not elastic or rubberised, falling within heading 60.02 of the common customs tariff (Nimexe codes 60.02-40, 50, 60, 70, 80), (categories 10 and 11), originating in Hong Kong and in free circulation in the other member states.

Decision 79/283/EEC authorising France not to apply community treatment to tableware and other articles of a kind commonly used for domestic or toilet purposes of porcelain or china or of earthenware or of other kinds of pottery, falling within heading 69.11 or subheadings 69.12 C and D of the common customs tariff, originating in Japan and in free circulation in the other member states.

Decision 79/293/EEC authorising Belgium, Luxembourg and the Netherlands not to apply community treatment to unglazed setts, flags and paving, hearth and wall tiles, falling within headings ex 69.07 and 69.08 of the common customs tariff, originating in Japan and in free circulation in the other member states.

The *Official Journal of the European Communities* L71, 22 March 1979 contains the texts of the following decisions which authorise the relevant states to refuse entry to the specific goods. The decisions relate to varying periods; full details are set out in the relevant decisions.

Decision 79/301/EEC authorising Italy not to apply community treatment to primary cells and primary batteries, falling within heading 85.03 of the common customs tariff, originating in Japan and in free circulation in the other member states.

Decision 79/305/EEC authorising France not to apply community treatment to men's and boys' shirts, woven, of wool, cotton or man-made textile fibres, falling within heading ex 61.03 of the common customs tariff (Nimexe codes 61.03-11, 15, 19) (category 8), originating in South Korea and in free circulation in the other member states.

Reactor research by microscope

Final inspection at Kratos Ltd, Manchester, of a 1.2 million volt electron microscope shortly before it was exported to France. It will be used for the simulation of conditions in a nuclear reactor to discover how materials used in the construction of reactors behave under conditions of severe radiation.

Overseas trade news

Earning more from exports: conference

The advantage of moving UK exports upmarket and selling on quality rather than on price will be the theme of a conference, 'Earning more from exports' organised by the British Overseas Trade Board at the De Vere Hotel, Coventry on 27 April.

The conference will consider the export experience of four Midlands companies, Wedgwood (Stoke-on-Trent), Avery Export Ltd (Smethwick), TecQuipment (Long Eaton, Nottingham) and En Tout Cas (Syston, Leicester) and analyse the importance of non-price factors in profitable exporting, including marketing methods, design for particular markets and shop floor involvement. It is expected 200 delegates from management and shop floor will attend.

Sir Arthur Bryan, chairman of Wedgwood and a BOTB member, will be the lunchtime speaker and the presentations will be introduced by Professor Robert McKenzie.

This conference follows a successful national conference on the same theme held in London last November. It is the first of two 'Export United' regional conferences to be organised by BOTB in 1979 to emphasise the importance of, and examine, non-price factors in exporting.

The fee for the full-day conference, including documentation, refreshments and lunch, is £50 for management and £25 for shop floor delegates. Applications for tickets should be sent, with the fee, to June Ridge, British Overseas Trade Board, Room 201, 1 Victoria Street, London SW1H 0ET, tel. 01-215 3393/5072.

BOTB supports Sharjah exhibition

The British Overseas Trade Board is supporting a joint venture at the municipal services and equipment exhibition being held at the Expo Centre, Sharjah from 3 to 8 November, and organised by Industrial and Trade Fairs International.

The joint venture is being sponsored by the Birmingham-based Engineering and Building Centre, which has worked successfully in conjunction with the BOTB in a similar capacity on a number of overseas missions and international trade exhibitions in recent years, and which has itself directed its operational bias towards the encouragement of British companies to the realisation of new and additional export opportunities.

Under the terms of the joint venture, UK companies will enjoy a wide range of direct cost advantages and benefits linked to their participation in the Sharjah exhibition.

Closing date for applicants to the joint venture scheme is 18 May 1979, and UK manufacturers and suppliers wishing to take advantage of the offer should contact Peter Smith, The Engineering and Building Centre, Broad Street, Birmingham 1, tel. 021-643 1914, telex 336701, as soon as possible.

Third Middle East construction exhibition

Jeddah will be the venue for the third Middle East construction exhibition. Being held from 20 to 26 January 1980, it is organised by Fairs and Exhibitions in association with Al-Harithy Company of Jeddah.

The British Overseas Trade Board is sponsoring three joint ventures at the fair. The co-sponsors are the Building Materials Export Group, the Federation of Manufacturers of Construction Equipment and Cranes, and the British Furniture Manufacturers Exports Group. Firms interested in showing at the exhibition should contact their relevant trade associations before 31 May.

The event will be staged in a purpose-built exhibition complex which will provide both indoor and outdoor facilities and a special area for heavy construction equipment.

Fairs and Exhibitions says that following the success of the two previous Middle East construction exhibitions in Dubai, United Arab Emirates, the 1980 event will provide both new and established exporters and international companies with an exceptional opportunity to promote their products and services in the world's most dynamic building and construction market.

With the vast range of the building and construction programmes planned for the 1980s, the Middle East construction exhibition will, of necessity, be the largest exhibition for construction equipment, building materials and services ever held in the Middle East. It will probably be twice the size of the 1979 event in Dubai, which attracted over 300 companies from all over the world and drew visitors from 51 countries.

Duke of Kent goes to US offshore technology conference

The Duke of Kent, as vice-chairman of the British Overseas Trade Board, will visit the United States towards the end of April to attend the offshore technology conference at Houston. He will fly to Houston and meet all the 150 British exhibitors on their stands.

This event traditionally attracts more British interest than any other event in north America. The scale of the British participation is second only to that of the United States' exhibitors. This will be the seventh consecutive year of British Overseas Trade Board support for a British group, which this year is made up of over 150 companies, under the sponsorship of the Association of British Oceanic Industries.

The Duke will also visit the British Trade Development Office in New York, the largest British government overseas commercial department in the world. The BTDO is responsible for co-ordinating goverment services to British exporters throughout the United States.

Conference on carrying hazardous cargoes

A conference on how to deal with ship-borne hazardous cargoes will be held in London on 9 and 10 May. The conference, says the organisers, will be of interest to engineers, marine specialists, environmentalists, terminal managers, and equipment manufacturers, as well as freight forwarders, and shipping agents.

Subjects covered will include: the carriage of flammable liquids at atmospheric temperature and pressure; the hazards associated with bulk cryogenic transport of liquid gases, particularly liquid natural gas, and the problem of ship-shore transfer; the dangers of mixed loads, the hazards peculiar to ro-ro container vessels and the lack of information about the contents of each container; the dangers of switch loading, with case histories of recent shipping disasters; ignition by radio-frequency transmission; the use of nitrogen foam inerting before welding; the functions of the various agents and brokers and how continuity of hazard information is ensured; protection at sea; marine law and accepted codes; and all aspects of marine insurance.

Details can be obtained from: Lindsay Lyth, Scientific and Technical Studies. Oyez International Business Communications, Norwich House, 11/13 Norwich Street, London EC4A 1AB, tel. 01-242 2481, telex 888870.

Leyland double-decker trial in Kuwait

A Leyland double-deck bus went on trial service in Kuwait in March. The bus, a Leyland Atlantean, is taking part in a comparative trial with a double-decker of German manufacture.

The two vehicles are the first double-deckers to operate in Kuwait and this is also the first Leyland bus to operate there. The bus operator, Kuwait Transport Company, currently operates a fleet of almost 300 single-decker buses from makers in Germany and Hungary. The company has decided to try double-deckers in an effort to overcome severe city-centre congestion.

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To the Continent and Scandinavia

UK loan for Jordan fertiliser project

Britain has made a £10 million loan to the government of Jordan towards the cost of a £215 million project to aid fertiliser production by recovering potash from the Dead Sea.

The loan will be on-lent to the Arab Potash Company and will help finance work to be carried out by the British firm of George Wimpey Construction. Wimpey has won a contract worth more than £60 million for civil construction work that includes building dykes and salt evaporation pans.

Other donors involved in this project include the World Bank, the Kuwait fund for economic development, the Arab fund for economic and social development, the United States agency for international development and the Opec special fund.

ECGD publishes new training aid

A new visual aid for use on export training courses and at seminars has been published by the Export Credits Guarantee Department.

The aid provides lecturers with a visual display when describing the services offered by ECGD. It is a wallposter (420 mm by 594 mm) in flow-chart form showing the various facilities available to exporters from ECGD. A separate leaflet is also available, which is a smaller version of the flow-chart with a brief summary of the facilities.

Copies of the wallposter and the leaflet can be obtained from Publicity Branch, ECGD, Aldermanbury House, Aldermanbury, London EC2P 2EL, tel. 01-606 6699 ext. 258.

Export easy seminars

The London junior chamber of commerce is arranging a seminar on basic export techniques and procedures for people who do not have wide experience in the subject.

It is to be held in Wimbledon on 17 May and repeated in Harrow on 23 May.

Sessions on finance

The programme includes sessions on finance and foreign currency, marketing and distribution, forwarding, and government services. There will be two practical case-studies, and speakers will have practical experience of the matters discussed.

Further information from Brian Lewis, Harrow junior chamber, tel. 01-863 8388, Ian Cameron Black, president, junior chamber of commerce for London, tel. 01-623 7500 or John Pendry, president, Wimbledon junior chamber, tel. 01-874 4106.

New overseas director for CBI

Hugo Herbert-Jones has been appointed overseas director of the Confederation of British Industry. He joins the CBI on 1 May from the Foreign and Commonwealth Office where for the past three years he has been dealing with political and defence matters concerning Europe and the United States.

Hints to exporters booklets

Revised editions of the booklets on the Republic of Ireland; Jamaica; Belize; the Cayman Islands; Mauritius and Reunion; Sierra Leone; Sudan and Tanzania have been issued.

British exporters can order these booklets by post, accompanied by the appropriate remittance, from the Department of Trade, Publications Sales Unit, Export House, 50 Ludgate Hill, London EC4M 7HU at £1 per copy, plus postage and packing as follows: 1 copy 20p; 2 to 4 copies 30p; 5 to 7 copies 40p; more than 7 post free.

Copies may also be purchased by personal callers at Export House and at the offices of the Department of Industry at Newcastle upon Tyne, Cockermouth, Manchester, Leeds, Nottingham, Birmingham, Bristol; from the Scottish and Welsh offices and from the Department of Commerce Belfast.

Brazil report

A report entitled 'Brazil – a survey of electrical power generations' which outlines the schemes at present under consideration for up-rating the power generations system, is available from Mr W. J. Handrakan, Department of Trade, Commercial Relations and Exports Division, 1 Victoria Street, London SW1H 0ET, tel. 01-215 5293.

Disclosure of import information

Trade and Industry, 23 March, page 630. The closing date for views to be received from importers is 20 April 1979, and not 23 March.

UK businessmen going overseas

British businessmen intending to travel overseas are urged in their own interests to make the earliest possible contact, before going abroad, with the Export Services and Promotions Division of the Department of Trade (at the appropriate regional office for firms outside London, and Export House, 50 Ludgate Hill, London EC4M 7HU for firms in London and south-east England). The department, in co-operation with commercial officers at embassies, high commissions and consulates overseas, is in a position to provide advice when it is required, and to help, where appropriate, in making trade contacts related to the purpose of the visit. Even where a businessman does not require specific assistance it is valuable for him to meet the commercial officers to get up-to-date information about the market. The Department of Trade would therefore welcome receiving notification of any businessmen intending to travel overseas.

To enable the overseas commercial officers to be of the greatest assistance to UK visitors the department needs to be able to brief the overseas officers as fully as possible.

中文翻译与排版

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Exchange rates

Rates of exchange in London will be published weekly in *Trade and Industry* from now on. Supplied by Thomas Cook Bankers Ltd, they will be updated each week. The rates are intended as a guide only and are subject to fluctuation. OECD countries are shown in bold.

		You buy at	You sell at
Afghanistan	Afghani	120	160
Algeria	Dinar	19	23
Andorra	(See France/ Spain)	—	—
Antigua	E. Caribbean dollar	5.38	5.58
Argentina	Peso	2 250	2 650
Australia	**Dollar**	**1.82**	**1.88**
Austria	**Schilling**	**27.75**	**29.75**
Bahamas	Dollar	2.05	2.20
Bahrain	Dinar	0.795	0.83
Barbados	Dollar	3.94	4.27
Belgium	**Franc**	**60.75**	**64.25**
Belize	Dollar	4.20	4.77
Benin	CFA	444	464
Bermuda	Dollar	2.00	2.14
Bolivia	Peso	46	Refer
Botswana	Pula	1.90	2.30
Brazil	Cruzeiro	51	61
Brunei	Dollar	4.55	4.75
Bulgaria	Lev	5.00	6.00
Burma	Kyat	75	105
Cameroon	CFA	444	464
Canada	**Dollar**	**2.38**	**2.45**
Chile	Peso	70.00	80.00
China	Ranimbi Yuan	Refer	Refer
Colombia	Peso	78	90
Costa Rica	Colon	19	23
Cyprus	Pound	0.73	0.76
Czechoslovakia	Koruna	51	61
Denmark	**Krone**	**10.57**	**10.87**
Dominica	E. Caribbean dollar	5.38	5.58
Ecuador	Sucre	54	64
Egypt	Pound	1.50	1.60
Eire	**Pound**	**1.00**	**1.01**
Fiji	Dollar	1.74	1.82
Finland	**Markka**	**8.10**	**8.45**
France	**Franc**	**8.73**	**9.13**
German DR	Ostmark	16	19
Germany, FR of	**Deutsch-mark**	**3.80**	**4.02**
Ghana	Cedi	Refer	Refer
Gibraltar	Pound	1.00	1.05
Greece	**Drachma**	**72.50**	**77.50**
Grenada	E. Caribbean dollar	5.38	5.58
Guyana	Dollar	9.25	Refer
Hong Kong	Dollar	10.05	10.52
Hungary	Forint	—	—
Iceland	**Krona**	**762**	**792**
India	Rupee	19	22
Indonesia	Rupiah	1 200	1 400
Iran	Rial	195	Refer
Iraq	Dinar	0.735	0.765
Israel	Pound	39.50	44.50
Italy (20 000 and smaller)	**Lira**	**1 690**	**1 775**
Jamaica	Dollar	4.50	Refer
Japan	**Yen**	**430**	**455**
Jordan	Dinar	0.61	0.65
Kenya	Shilling	19.00	Refer
Korea(s)	Won	1 150	1 400
Kuwait	Dinar	0.57	0.60
Lebanon	Livre	6.50	7.00
Liberia (see USA)			
Libya	Dinar	1.30	Refer
Luxembourg (see Belgium)	**Franc**	—	—
Madeira (see Portugal)	Escudo	—	—
Malaysia	Dollar	4.53	4.75
Malta	Pound	0.7175	0.7475
Mauritius	Rupee	11.88	13.75
Mexico	Peso	40	50
Monaco (see France)	Franc	—	—
Morcco	Dirham	8.60	9.60
Netherlands	**Guilder**	**4.10**	**4.33**
New Zealand	**Dollar**	**1.89**	**1.98**
Nigeria	Naira	3.00	Refer
Norway	**Krone**	**10.40**	**10.85**
Oman	Rial	0.7150	0.76
Pakistan	Rupee	18	25
Peru	Sol.	430	530
Philippines	Piso	14.50	18
Poland	Zloty	215	255
Portugal	**Escudo**	**94.00**	**99.00**
Qatar	Rial	7.97	8.32
Romania	Leu	61	73
Saudi Arabia	Rial	6.94	7.30
Seychelles	Rupee	12.77	13.25
Sierra Leone	Leone	2.25	2.50
Singapore	Dollar	4.40	4.59
South Africa	Rand	1.95	2.20
Spain	**Peseta**	**138.25**	**145.25**
Sri Lanka	Rupee	36	46
Sudan	Pound	1.50	1.80
Sweden	**Krona**	**8.88**	**9.28**
Switzerland	**Franc**	**3.45**	**3.67**
Syria	Pound	8.25	9.40
Taiwan	Dollar	87	102
Tanzania	Shilling	35.00	Refer
Thailand	Baht	37	42
Trinidad and Tobago	Dollar	5.20	6.30
Tunisia	Dinar	0.98	1.14
Turkey	**Lira**	**85.00**	**89.00**
Uganda	Shilling	40.00	Refer
USSR	Rouble	8	9.40
United Arab Emirates	Dirham	7.97	8.32
USA	**Dollar**	**2.06**	**2.12**
Yemen Arab Republic	Rial	12.75	15.50
Yugoslavia	Dinar	40.50	42.50
Zaire	Zaire	14	20
Zambia	Kwacha	6.00	Refer

Where more than one rate applies to a currency, the rate is that for small denomination notes.

Have you a good export picture?

Each week *Trade and Industry* publishes pictures illustrating Britain's export business. Companies with export successes are invited to send in the story with a photograph showing the goods in manufacture, ready for despatch, or, preferably, on arrival overseas. The story must, of course, reach us while it is still news.

Send your export photographs to the Editor, *Trade and Industry*, Eighth Floor, 1 Victoria Street, London SW1H 0ET.

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Overseas trade exhibitions

Tickling the Japanese palate

From John MacDonald, British embassy, Tokyo

With exports of British food and drink to Japan touching £62 million in 1978, it is clear that Britain has products to tickle the Japanese palate. Much of the total is made up of Scotch whisky and black tea, with almost all other products – confectionery, biscuits, jams and marmalades – selling at the luxury end of the market. But there is evidence of a growing interest on the part of the large supermarket chains in high-volume, mid-market foodstuffs – the sector where there is potential for real growth. With this in mind the British Food Export Council organised, with the co-operation of the British Overseas Trade Board, a 26-company outward trade mission and group of exhibitors at Hoteres and Foodex Japan from 12 to 16 March.

Hoteres and Foodex is the only trade fair in Japan offering food and drink manufacturers, both domestic and foreign, an opportunity to obtain exposure to the trade across the board. Over the five-day run, the exhibition attracted 81 489 visitors – a good increase over last year's 72 000. More significantly, according to the organisers, 80 per cent of the visitors consisted of food and drink importers, wholesalers and retailers, and came from all parts of Japan.

The successful history of the show, which has been organised annually since 1976, has attracted the interest of foreign manufacturers, and this year there was national participation by Denmark, the Netherlands, the United States, Norway, Sweden, New Zealand, Switzerland, India, Brazil, Taiwan, and Poland, as well as the UK.

Members of the British group felt generally that participation had been worthwhile, especially perhaps those offering samples of their products. Little hard business is normally conducted at Japanese trade fairs, but a number of useful inquiries were received and these will be followed up by local agents.

Ill winds blow some good

From Margaret Maxwell, British embassy, Copenhagen

Once again the March fashion week at the Bella Center was hit by appalling weather. On the second day of the fair the Danish radio promised 'sleet, snow, freezing rain and treacherous road conditions' which was roughly what the country had been experiencing since New Years' Eve.

It was soon clear that the long, cold winter with its ill winds had blown some good to the British coat manufacturers. Miss Smith by Reggie, Feminella and Alec Berman all reported excellent business from retailers whose stocks of warm clothing were low. The furriers too, like Edelson and Fantasia Furs, who are already well-established in the Scandinavian scene, were satisfied. Paul Nicholas, who was showing for the first time, did well as did William Hollins and Ellis and John Charles, who are regular visitors to the fair. In fact the general verdict was that business was 'much better than expected'.

The various measures taken by the Danish government in 1978 to restrict consumer demand (VAT for example is now 20¼ per cent) seem to have been effective as far as Danish buyers were concerned and some British exhibitors found their customers came mainly from the other Scandinavian countries. This led them to speculate on the best venue for a fashion fair, but by the end of four days most were agreeably surprised by the business taken in Copenhagen.

One of the British designs at Copenhagen.

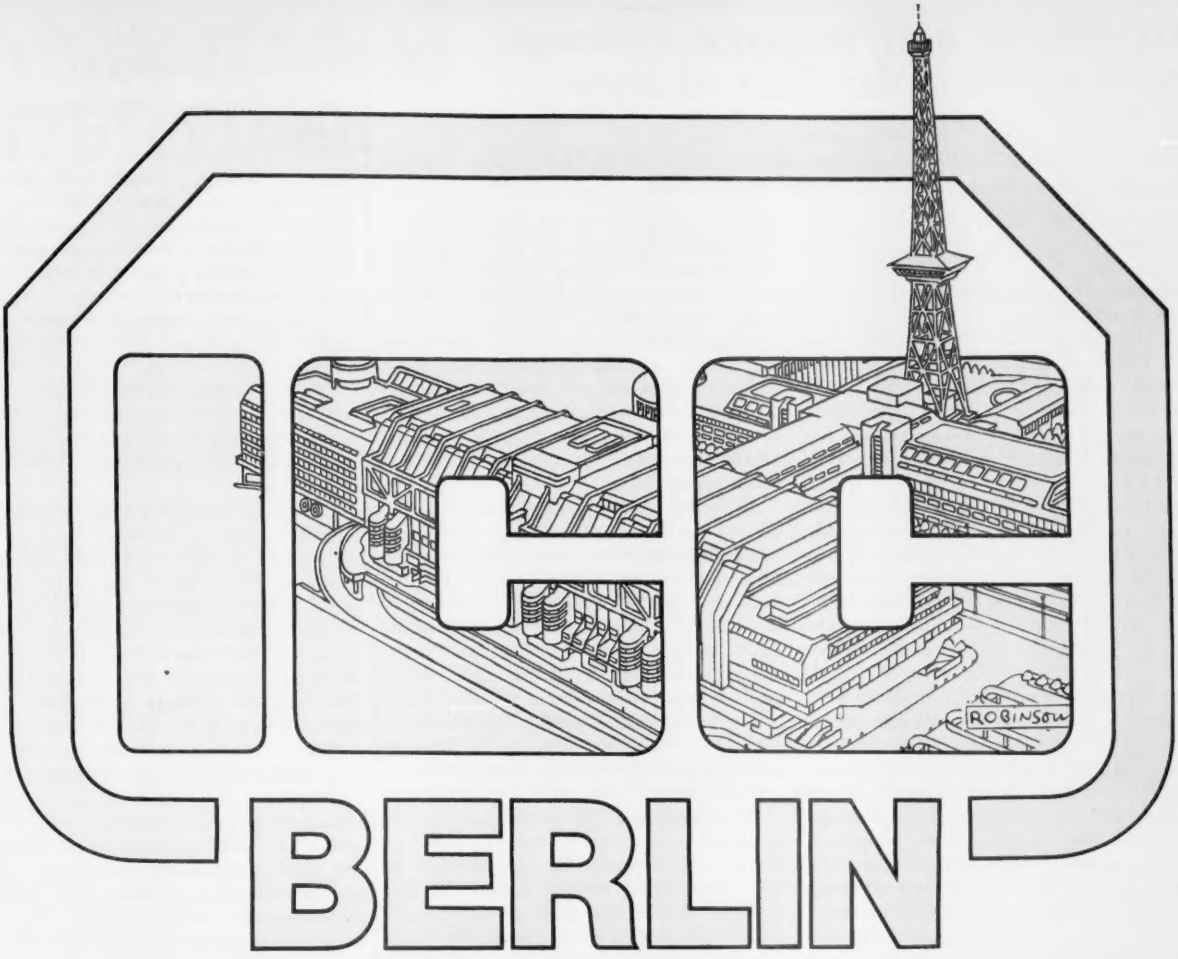
Much credit for this must go to the fashion show by the Clothing Export Council, joint sponsors with the British Overseas Trade Board of the British joint venture. Once again the CEC fashion show was the centre attraction at the fair. Produced by Janet Henry for the CEC, 12 tv dancers showed 140 garments in 35 minutes, three times a day in the CEC's specially constructed fashion theatre situated in the British joint venture area.

Each performance played to a full house, the majority of whom were trade buyers. The British ambassador, Miss A. M. Warburton, visited the fair on the second day and watched the fashion show together with Peter Randle, director of the CEC.

The theme was 'Reflections in fashion'. The group 'Reflections', two boys and two girls, presented in song and dance the garments of the 46 British exhibitors.

The reflections theme was carried out in the decor scheme for the whole British area with mirror-like graphics, highlighting 'British fashion'.

Chris Ivory, director RHM Exports explains a point to a visitor.



2nd April, 1979, heralds the start of a whole new conference era.

On 2nd April, 1979, the magnificent Opening Ceremony of the ICC Berlin attended by Guests of Honour from around the world. Also ICC Berlin welcomes its first international congress. Welcome to Berlin!

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Box 191740, Messedamm 22,
D-1000 Berlin 19

Contact address:
Spectrum Communications Limited

Spectrum House, 183/185 Askew Road
London W 12 9 AX
Telephone: 01-7493359

Attendance light but good business expected from Mid-East oil show

The British Overseas Trade Board organised a pavilion at the Middle East oil show in Bahrain last week. How did business go? John Cole-Morgan reports.

A dust storm had closed the airport and in the three-quarter's of a mile from my hotel on the outskirts of Bahrain's capital, Manama, to the red and white, fabric clad pavilions of the Middle East oil show, my clothes became impregnated with fine white dust, my shoes had half an inch of desert inside and my eyes were smarting. Inside the British pavilion the stands and exhibits were covered with dust which made everything feel like very fine sandpaper. It was pointless to try to remove it.

This was the third day of the five-day show and the number of visitors to the 64 stands, which made up the British pavilion, the biggest of all the national contributions, was likely to be fewer than on previous days. Bahrain had been carefully chosen by the organisers, Arabian Exhibition Management, so that many of the people they hoped to attract could make day visits from other parts of the Gulf.

The light attendance generally was one of the major talking points among the exhibitors in the British pavilion. Seldom were the gangways thronged with the hoped-for robed and white headressed visitors and because the public was not allowed in to the biggest oil show ever staged outside the United States or Europe, there was an inevitable lack of bustle.

Nonetheless, many of those with influence visited the show. The Emir of Bahrain, Sheikh Isa bin Sulman Al Khalifa opened it, and Sheik Yamani dropped in on his way to the oil talks in Geneva. The new British ambassador to Bahrain, Harold Walker, toured many of the stands. The organisers recorded that nearly 6000 visitors had passed through the carefully controlled gates but it did not seem like that number in the British pavilion.

Was it the position? Was it the chippings in the gangways? Were the Canadians, French and West Germans and Belgians, who had tarmac gangways, getting more people? Perhaps, marginally, but it could have been a case of the grass being greener on the other side of the fence, for when I talked to individual exhibitors it was quickly apparent that quite a lot of serious business was being done beneath the placid surface. For example, William Connell, managing director of John Brown Gas Turbines of Clydebank, said that he had been very pleased with the status of the many visitors and delighted with the exhibition and the opportunity it provided to further secure the company's prospects in the Gulf. John Brown has already installed a large number of gas turbines in the Gulf, including the billion dollar one in the Dubai aluminum smelter opened by the Queen during her visit, They see the Middle East as a very important sector of their future export market.

The valve manufacturers were said to be dealing with inquiries amounting to millions of pounds but, because of the intense competition between them, they were not prepared to give me, or anyone else for that matter, any details. Grandmet Site Services, which is part of the £1,640 million Grand Metropolitan Group, offering hostel and service department management and consultancy and the provision and operation of construction camp facilities put up a marker that they anticipated announcing a major contract award during the next two to three weeks.

Ocean Inchcape Ltd, which has two containerised diving support modules based in Bahrain and a permanent representative in Abu Dhabi, said that the exhibition had extended the company's range of contacts which would help secure inclusion on tender lists for a number of important projects. Oil Field Inspection Services of Aberdeen's full-scale 10-inch pipeline x-ray crawler tended to steal the show as it was operating on the stand. The company received an invitation to tender on a two-year contract of pipeline inspection. But, perhaps one of the most satisfied exhibitors was John Kemp, Middle East manager for Cooperheat, well established in the Gulf, making heat treatment welding equipment. He said, 'By Middle East standards this is a very good exhibition. Having participated in other exhibitions this is the best so far. The entry fee stops families and casual visitors, so you only see the people who want to buy. I have received a larger number of inquiries in two days here than in the Algerian exhibition in 16 days.'

The Emir of Bahrain, Shaikh Isa bin Sulman Al Khalifa, and Sheik Yamani taking a close look at the world's smallest pipeline x-ray crawler made by Oilfield Inspection Services of Aberdeen. Talking to the Emir and Sheik Yamani is Alan Slack, sales director of the company.

No fading for UK at Brussels audio fair

From Paul Williams, British embassy, Brussels

Passers-by looking up at the Manhattan-Sheraton exhibition complex in Brussels anytime from 13 to 16 March might have been forgiven for thinking that they saw the windows on the fourth floor reverberating as if being pounded by a mighty storm. The windows were dancing to the decibels created by the demonstration rooms of the sixty-second Audio Engineering Society Convention (AES).

These conventions are held in different venues each year. This year it was Brussels' turn to see something of the amazing electronics which have revolutionised the sound recording industry.

From 24-track mixer sound consoles to the latest microphones, it was all there. So were the British – in force. Twenty-six companies, members of the Association of Professional Sound Recording Studios made up the joint-venture organised by theAPRS and British Overseas Trade Board. For the occasion the APRS had produced a glossy, 36-page booklet describing the products of the British companies in English, French and Dutch.

Belgium is not a large market commercially for sound recording equipment but what is lacking in its own market is made up by its central geographical location. This, coupled with the fact AES conventions are a must for the professional sound recording industry guaranteed that the numbers and quality of the visitors were high. So it was no surprise to see studio managers, radio boffins and electronic sound specialists descend on Brussels not only from elsewhere in Europe (Germany, France, Holland, Scandinavia, Hungary, Yugoslavia) but also from United States, Canada, Japan, Singapore and China.

Britain is a leader in sound recording techniques and anyone who doubted this would soon have seen it for themselves in the equipment being shown by the British exhibitors. Acoustic Transducer Company Ltd, for instance, attracted great interest to its stand with its studio control monitors S 50 and S 85 which were being exhibited in Europe for the first time. Penny and Giles with its range of faders found that many of its potential customers were fellow exhibitors. Calrec Audio was inundated with requests for information on its Soundfield microphone which is claimed as the most significant development in audio transducer technology since the condenser microphone.

Allen and Heath exhibited its 24-track console and the Brenell Mini 8, the only portable 25 mm, 8-track tape recorder in the world. Soundcraft exhibited its series 3B 24 group console with its potential of 32-track monitoring, while Neal-Ferrograph showed its top model Studio 8 reel-to-reel tape recorder.

The reaction of the British companies after the exhibition was that it had been a resounding success; they had found new customers and re-awakened old ones. Both the quality of the equipment shown on the British stands and the dedication and attentiveness of those who manned them were a tribute to the British electronics industry and a tonic to those who saw them in action.

Overseas trade country data

Abu Dhabi

Slaughter policy. The commercial department of the British embassy in Abu Dhabi has reported that the municipality of Abu Dhabi has passed a law which requires that all fresh and frozen meat, including poultry, must be 'Hallal' killed, ie killed in accordance with Moslem law.

The appropriate certificate (stating that slaughter has been conducted in the correct manner) must accompany each consignment before an entry permit can be granted.

Inquiries: OTAR 01-248 5757 ext. 475/420.

Australia

Simplification of customs tariff. The Australian government has requested the Industries Assistance Commission to consider what changes can be made to the customs tariff to reduce its complexity and fragmentation and to make recommendations.

For the purpose of identifying existing problems the commission will hold a series of public hearings beginning at 10 am on Monday 7 May in the Public Inquiry Room, Industries Assistance Commission, Kings Avenue, Canberra ACT 2600. Other public hearings will be arranged in the light of the interest shown in the matter but before such hearings are heard the commission will prepare and publish, for examination by witnesses and other interested parties, draft revisions of chapters or other sections of the tariff. These will then be open for public discussion and comment in evidence at subsequent hearings.

All interested parties are invited to submit written proposals for simplification of all subdivisions of items and of rates of duty as soon as possible; ideally they should arrive by end of May. These should be mailed, preferably 8 copies, direct to: Simplification Inquiry, Industries Assistance Commission, PO Box 80, Canberra ACT 2600.

Inquiries: CRE 01-215 5319.

Ref: CRE 36475/3.

Electric motors, generators, rotary convertors. A notice in *Trade and Industry*, 22 December 1978, announced that the Australian government had requested the Industries Assistance Commission (IAC) to inquire into the question of protection for that sector of industry manufacturing electric motors, generators and rotary convertors of a kind falling within tariff item 85.01.1. The commission is required to make its report to government by May 1980.

Those intending to submit evidence at the public inquiry, the date of which will be announced later, are requested to indicate their intention as soon as possible to the IAC on a pro-forma which can be obtained from Department of Trade, Room 336, 1 Victoria Street, London SW1H 0ET.

Inquiries: CRE 01-215 5319.

Ref: CRE 1866/78

Film. The Australian government has requested the Industries Assistance Commission to inquire into and report on whether assistance should be accorded the production in Australia of coated copying film, and goods made from it, falling within tariff items 39.01; 39.02; 39.03; or 39.07.

UK firms and trade associations intending to submit evidence at the public hearing, the date and location of which will be announced as soon as they are known, should advise the Secretary, Industries Assistance Commission, PO Box 80, Canberra ACT 2600, without delay. Evidence may be submitted either through the accredited agent of the firm or trade association concerned or through the Australian-British Trade Association, 6th Floor, Dorland House, 18-20 Lower Regent Street, London SW1Y 4PW, tel. 01-930 2524, which will represent UK interests if authorised. The association charges a fee for its services, the amount varying according to the work entailed in the preparation of the submission and whether or not the interested party is a member.

Inquiries: CRE 01-215 5319.

Ref: CRE 1713/77

Dental alloy. A notice in *Trade and Industry* on 12 January reported that the Australian government had referred to the Temporary Assistance Authority (TAA) a request from local industry for temporary protection against the import of dental alloys.

The government has now considered the TAA report and has accepted its recommendation that a bounty of A$15 per kg be paid on all dental alloy powder produced and sold in Australia during the 12 months beginning 22 December 1978. Total payments will be limited to A$45,000.

Inquiries: CRE 01-215 5319.

Ref: CRE 1461/78

Polyester and polyester/viscose. Following a report by the Industries Assistance Commission the Australian government has announced that the existing by-law covering multiple ply or cable yarns of wholly polyester fibres, or consisting of polyester and viscose fibres, be amended to exclude from duty-free admission those polyester yarns being multiple-ply or cable yarns in which each or every ply is coarser than 120 tex.

The effect is that carpet yarns have been excluded from concessional entry while duty-free admission will continue for yarns used in the production of apparel and furnishing fabrics.

Inquiries: OTAR 01-248 5757 ext. 468/469/401.

Further information

In many cases further information on the notices published on these pages is available to British exporters from the Department of Trade. The main branches concerned are: Commercial Relations and Exports (CRE) Divisions, 1 Victoria Street, London SW1H 0ET (tel. direct dialling); and Overseas Tariffs and Regulations Section (OTAR), Export Data Branch, Export Services and Promotions Division, Export House, 50 Ludgate Hill, London EC4M 7HU, tel. 01-248 5757. In each case, the relevant information source is indicated at the end of the notice by its initials (OTAR or CRE) and, in the case of OTAR, the telephone extension.

Baby carriages. The Australian government has requested the Industries Assistance Commission to inquire into and report on the question as to whether assistance should be accorded the production in Australia of baby carriages and parts therefor falling within tariff item 87.13.

UK firms and trade associations intending to submit evidence at the public hearing, the date and location of which will be announced as soon as they are known, should advise the Secretary, Industries Assistance Commission, PO Box 80, Canberra Act 2600, without delay.

Evidence may be submitted either through the accredited agent of the firm or trade association concerned or through the Australian-British Trade Association, 6th Floor, Dorland House, 18-20 Lower Regent Street, London SW1Y 4PW, tel. 01-930 2524, who will represent UK interests if authorised.

The association charges a fee for its services, the amount varying according to the work entailed in the preparation of the submission and whether or not the interested party is a member.

Inquiries: CRE 01-215 5319.

Ref: CRE 732/79

France

Presses and safety devices. A decision of 15 February has been published concerning the official approval of standards for machinery and machinery safety guards, the working parts of which are equipped with an alternating movement and shape cold metals.

Copies of the French text are available from OTAR 01-248 5757 ext. 423/408/439.

Hybrid maize, oil seeds, etc. A notice was published in the French *Official Journal*, 1 March, outlining the procedure for the import of hybrid maize (CCCN 10.05 A), oil seeds and oleaginous fruits (CCCN 12.01 A) from all countries into France.

Copies of the French text are available from OTAR 01-248 5757 ext. 423/408/439.

Kuwait

Import duty reductions. The commercial department of the British embassy in Kuwait has forwarded an unofficial translation of the ministerial internal directive which announced the cabinet's approval in certain

circumstances to the cancellation of the 15 per cent import duty earlier this year.

A copy of the translation is available to British exporters.

Inquiries: OTAR 01-248 5757 ext. 475/7062.

Nigeria

1979-80 budget. The Nigerian government introduced the 1979-80 budget on 31 March. Details available from 01-215 3064/3338.

Portugal

Tax on pig meat. Portuguese *Diario da Republica*, first series, no. 35, 10 February, published decree-law 19/79 under which a tax of 2 escudos per kg is levied on pig meat slaughtered in Portugal or imported for consumption. No further information is available.

Inquiries: OTAR 01-248 5757 ext. 458/461.

South Africa

Industrial rebates. The following amendments were published in the South African *Government Gazette* of 2 March:

R.347. Items 310-05, 315-02, 315-08 and 316-01. CCCN 73.12. The provisions for a rebate of the full duty on products of hoop and strip, or iron or steel, hot-rolled or cold-rolled, are deleted since these products can be entered free of duty in part 1 of the schedule no. 1.

Customs tariff changes. The following amendments were published in the South African *Government Gazette* of 9 March:

R.423. CCCN 29.01, 29.02, 29.08, 29.22, 29.23, 29.25 and 29.30. Separate provisions, for statistical purposes, are made for certain chemical substances.

R.424. CCCN 40.09. Specific provision is made for piping and tubing, of unhardened vulcanised rubber, unsupported, with an inside diameter of 10 mm or more and a wall thickness of 0.5 mm or more but not exceeding 2 mm and the rate of duty thereon is amended from 20 per cent or 1,655c per 100 kg to 20 per cent or 260c per kg less 80 per cent.

CRE Commercial Relations and Exports Divisions
Tel. Direct dialling (see end of each notice)

OTAR Overseas Tariffs and Regulations Section
Tel. 01-248 5757 (extension at end of each notice)

Import surcharge

R.425. Item 167.00. CCCN 40.01.05, 40.01.50, 40.02.15, 40.02.20, 40.02.30, 40.03, 40.04.90, 40.09.65, 40.09.70.10 40.09.90, 40.10.10.90, 40.14.20 and 40.14.80 are excluded from surcharge. This amendment is consequential to the amendment of tariff heading 40.09 in part 1 of schedule 1.

General rebates

R.426. Item 407.04. CCCN 87.00. The item is amended to state clearly the conditions in terms of which persons on change of permanent residence may qualify for a rebate of duty on motor vehicles.

Inquiries: OTAR 01-248 5757 ext. 471/472/473/462.

Import surcharge. The Minister of Finance has announced in his budget speech that the import surcharge has been reduced from 12.5 per cent to 7.5 per cent, *ad valorem*, from midnight 28 March.

Goods already in transit will benefit from this reduction.

Inquiries: OTAR 01-248 5757 ext. 471/472/473/462.

Sri Lanka

Consumer Protection Act. The new Consumer Protection Act, No. 1 of 1979, which replaces the Licensing of Traders Act, No. 62 of 1961, came into effect on 1 January 1979.

One of the provisions of part 1 of the act appoints a commissioner who may issue general directions to manufacturers or traders in respect of 'labelling and packeting' of any article.

A copy of the act is available for public inspection in the Chancery House Annexe of the Science Reference Library (Holborn Division), Lower Ground Floor, Chancery Lane, London WC2A 1AY.

Tanzania

Pre-shipment inspection. The Bank of Tanzania has said that price comparison is not required on pre-shipment inspection when a contract has been won in open tender and that it is the responsibility of the importer to inform the bank of such a contract when the PSI price comparison will be waived. British exporters should therefore ensure that Tanzanian purchasers inform the Bank of Tanzania as early as possible so that confusion does not arise later. The bank considers that inspection as far as meeting specifications are concerned may still be required in some cases.

Inquiries: CRE5 01-215 5226.

United States

Cellulose insulation. The *Federal Register*, 8 March, published a proposal by the Consumer Product Safety Commission amending the interim standard for cellulse insulation. The rule would apply to cellulose insulation manufactured after 15 October 1979. Written comments (five copies) are required by 9 April. A copy of the text is available to British exporters.

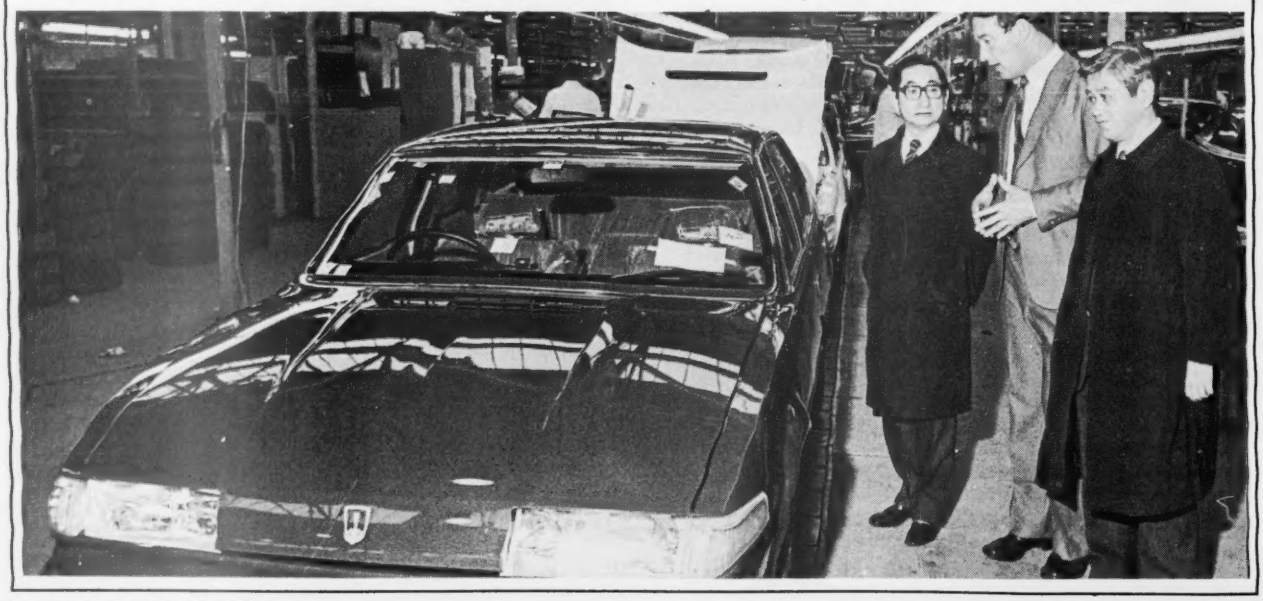
Inquiries: 01-248 5757 ext. 456/457/7312.

Speciality steel. Imports in pounds weight from the EEC for the product under quota as at 2 March 1979:

Plates of stainless steel (item 923.21), 4 484 476

Inquiries: CRE 01-215 5079.

Following Japan's recent buying mission to the UK, one thousand award-winning Rover 3500 cars will be supplied to Japan in a deal worth some £12 million. After signing the contract with Jaguar Rover Triumph, Shoguro Ariga, president of Mitsui, toured the Rover works at Solihull near Birmingham in the midlands with Ron Barrett, manufacturing manager, and Hiroshi Shirahata (right), deputy general manager of Mitsui.



Statistics

The economy: selected indicators [1]

Series are seasonally adjusted except where shown otherwise

	Gross domestic product (average estimate)	Consumers' expenditure	Fixed capital expenditure			Changes in stocks				Balance of payments		
				of which			of which					
			Total	Manufacturing industry	Distributive and service industries excl. shipping	Total	Manufacturing industry	Wholesalers'	Retailers'	Current balance	Visible balance	Invisible balance
	at 1975 prices		at 1975 prices			at 1975 prices				at current prices		
Base of index Series in Stock level at end-1977	1975	£ million	£ million			34,469	19,995	£ million 4,540	3,181	£ million		
1973	103.3	65 586	21 609	3 504	4 674	2 983	1 336	432	624	−999	−2 383	1 384
1974	101.5	64 212	21 175	3 822	4 605	1 462	1 288	361	−180	−3 591	−5 235	1 644
1975	100.0	63 385	20 488	3 522	3 841	−1 625	−1 221	−249	−100	−1 843	−3 236	1 393
1976	102.9	63 540	20 395	3 345	3 926	260	316	131	13	−1 137	−3 601	2 464
1977	104.9	62 954	19 961	3 573	4 325	978	442	266	29	298	−1 744	2 042
1978	108.1	66 397	20 514	3 848	4 681	962	595	−15	333	254	−1 175	1 429
1976 2nd qtr	102.4	15 834	5 107	828	972	−74	−29	−10	−67	−328	−949	621
3rd qtr	103.3	15 934	5 177	849	1 005	163	99	81	46	−411	−1 136	725
4th qtr	104.2	16 007	4 955	856	1 014	259	260	17	27	−315	−966	651
1977 1st qtr	103.8	15 622	4 821	851	1 030	430	235	82	117	−428	−946	518
2nd qtr	104.5	15 551	5 010	879	1 044	293	97	179	4	−297	−779	482
3rd qtr	105.0	15 876	5 057	910	1 103	−70	−6	−80	−59	522	−3	525
4th qtr	106.5	15 905	5 073	932	1 149	325	116	85	−33	501	−16	517
1978 1st qtr	105.9	16 296	5 151	923	1 162	290	38	81	62	−341	−596	255
2nd qtr	108.4	16 487	5 161	963	1 173	280	272	−62	128	146	−173	319
3rd qtr	109.2	16 858	5 147	981	1 161	302	175	45	54	51	−367	418
4th qtr	108.8	16 756	5 055	982	1 184	89	111	−79	89	398	−39	437
% change last 2 qtrs on prev. 2 qtrs.	+1.7	+2.5	−1.1	+4.1	+0.4							
on a year earlier	+3.1	+5.8	+0.7	+6.6	+4.1							

	Industrial production		Personal expenditure		Prices and earnings					Labour (UK)			Visible trade (volume)	
	Total all industries	Total manufacturing industries	Retail sales	Cars: new registrations	Retail prices	% increase on a year earlier	Wholesale prices: all manufacturing industry: basic materials and fuel used	Wholesale prices: all manufacturing industry: manufactured products: home sales	Average gross earnings of all employees (GB, all industries and services covered)	Unemployed excluding school leavers and adult students: mid-month count	Unemployed excluding school leavers and adult students: % of total employees	Unfilled vacancies for adults: mid-month count	Export	Import
				monthly averages									On a balance of payment basis	
	at 1975 prices		at 1971 prices		(not seasonally adjusted)				(old series)				at 1975 prices	
Base of index £m in base year Series in	1975	1975	1971 16,296	thousands	Jan. 1974		1975	1975	Jan. 1970	thousands		thousands	1975 19,463	1975 22,699
1973	109.5	108.4	110.3	137.1	93.5	9.1	58.8	66.7	152.1	611.0	2.6	307.0	97.7	108.8
1974	105.1	106.5	109.0	102.8	108.5	16.0	86.8	81.8	179.1	599.7[2]	2.6[2]	302.7[2]	104.2	109.7
1975	100.0	100.0	106.7	97.2	134.8	24.2	100.0	100.0	226.6	929.0	3.9	150.0[2]	100.0	100.0
1976	102.0	101.4	106.5	104.7	157.1	16.5	127.0	117.3	261.9	1 269.8[2]	5.4[2]	120.4[2]	109.7	105.6
1977	105.8	102.8	103.6	107.1	182.0	15.8	145.6	140.5	288.5	1 378.1	5.8	155.6[2]	118.9	107.2
1978	109.7	103.5	109.2	130.1	197.1	8.3	144.6	153.3	330.2	1 375.6	5.8	210.3	122.9	112.6
1977 1st qtr	105.6	103.9	103.3	104	174.1	16.5	144.8	133.0	280.0	1 329.5	5.6	..	115.9	108.8
2nd qtr	105.5	102.4	102.4	103	181.9	17.4	148.8	139.6	285.3	1 340.6	5.6	157.7	117.7	110.6
3rd qtr	106.2	103.0	104.2	112	184.7	16.5	146.5	143.8	288.3	1 414.6	5.9	151.9	124.6	107.3
4th qtr	105.8	101.8	104.7	110	187.4	13.1	142.2	145.8	300.4	1 427.8	6.0	160.1	117.3	102.3
1978 1st qtr	107.0	102.2	106.4	131	190.6	9.5	140.2	149.2	310.8	1 409.4	5.9	187.7	119.6	113.5
2nd qtr	110.7	104.5	107.9	132	195.8	7.7	146.3	151.8	329.0	1 372.7	5.7	210.3	122.2	109.7
3rd qtr	111.4	104.9	110.7	135	199.2	7.8	144.9	154.8	334.6	1 380.5	5.8	213.0	124.8	114.9
4th qtr	109.6	102.5	111.7	123	202.6	8.1	147.1	157.3	346.4	1 339.7 p	5.6	230.3 p	124.8	112.3
1979 1st qtr										1 350.7 p	5.7	233.8 p		
1978 Mar	106.8	102.4	107.2	145	191.8	9.1	142.0	150.0	314.8	1 400.0	5.9	195.8	120.4	116.3
Apr	111.0	105.1	106.9	134	194.6	7.9	145.1	150.9	325.7	1 387.1	5.8	203.7	124.3	104.8
May	110.0	103.5	108.2	126	195.7	7.7	146.8	151.9	327.2	1 366.4	5.7	209.9	120.5	113.3
Jun	111.1	105.0	108.6	135	197.2	7.4	147.0	152.7	334.0	1 364.7	5.7	217.4	121.9	111.1
Jul	111.5	104.9	111.0	109	198.1	7.8	145.8	153.8	332.7	1 371.4	5.7	211.0	125.7	114.3
Aug	112.0	105.7	111.7	148	199.4	8.0	144.2	154.8	333.2	1 392.1	5.8	209.3	124.5	111.3
Sep	110.6	104.1	109.6	146	200.2	7.8	144.8	155.7	338.0	1 378.3	5.8	218.7	124.3	119.1
Oct	108.5	101.7	110.2	134	201.1	7.8	145.7	156.6	344.8	1 359.6	5.7	228.4	125.9	110.8
Nov	109.4	102.3	110.5	119	202.5	8.1	147.3	157.1	343.5	1 338.8	5.6	231.3	122.5	113.7
Dec	111.0	103.4	113.8	115	204.2	8.4	148.3	158.3	351.0	1 320.7	5.5	231.2	126.0	112.5
1979 Jan	104.4 p	94.9 p	109.6	121	207.2	9.3	150.4 p	159.8 p	344.4 p	1 339.1	5.6	235.9	113.1	107.3
Feb			104.4	117	208.9	9.6	151.1 p	161.5 p		1 362.5	5.7	230.9		
Mar										1 350.4 p	5.7	235.9 p		
% change latest 3 months														
on prev. 3 months	−1.9	−3.5	−1.0	−11.5	+2.7		+2.7	+2.2	+2.3	+0.8		+1.7	−3½	−2
on a year earlier	+1.9	−1.9	+2.8	0.0	+9.1		+7.2	+8.1	+14.0	−4.2		+24.8	+5	+5½

p Provisional e Estimate [1] Including figures published by 30 March 1979 [2] Average of available months

Inquiries: 01-215 3453

Economic indicators of the industrial countries

The tables have been prepared for the convenience of users who do not have access to the sources themselves. International publications (as indicated) have been used, supplemented, where available, by later reports, denoted – e. The form of presentation adopted – indicators by subject – is for convenience only, and it must not be assumed that the indicators in the same table for different countries are strictly comparable. An attempt has been made to indicate major differences of definition, but the coverage and methods of collection vary considerably; this is partly due to different administrative procedures in various countries. Fuller details may be obtained from the sources indicated and from the national publications of the countries concerned. Exchange rates are those used in the basic data sources. The group of industrial countries is taken as comprising the members of the Organisation for Economic Co-operation and Development (OECD), is western Europe, north America, Japan, Australia and New Zealand. Consumer prices apart, New Zealand is excluded from OECD totals in that insufficient information is available.

The five tables in this article are published monthly. A full set of tables with commentary appears quarterly (see 8 December).

Consistent with the OECD source, indices now appear on 1975 = 100.

Inquiries: 01-215 3442.

Table 1 **Industrial production** (excluding construction) seasonally adjusted

Indices 1975 = 100

	Belgium r	Luxembourg r	France [2]	F.R. of Germany [4]	Ireland	Italy r	Netherlands	United Kingdom r	EEC [1] [3]	Canada r	United States	Japan	OECD [3]
Weights in total	1.6	0.1	7.9	13.5	0.2	4.9	1.8	5.6	35.6	3.7	34.9	15.5	100
1974	111	128.1	108	106.0	107	109.7	105	105.0	107	105.7	109.8	111.7	109
1975	100	100.0	100	100.0	100	100.0	100	100.0	100	100.0	100.0	100.0	100
1976	109	106.3	109	107.3	109	111.6	106	102.7	107	105.1	110.2	111.0	109
1977	109	106.8	110	110.5	118	111.6	107	107.4	110	109.3	116.4	115.6	113
1978	111	112.2	113	113.2		113.7	108	110.7	113	115.2	123.2	122.7	118
1977 1st quarter	110	106.6	112	111	114	118.7	107	107.5	111	108.5	113.4	115.3	112
2nd	108	108.0	111	110	117	112.8	108	107.4	110	108.6	116.3	115.2	113
3rd	109	105.5	110	110	117	112.5	105	107.9	110	109.4	117.5	115.1	113
4th	108	107.3	109	111	123	110.5	107	106.9	110	110.9	118.3	116.6	114
1978 1st quarter	109	113.4	110	111	127	114.4	107	108.2	111	112.3	118.5	120.0	115
2nd	108	109.2	114	111	129	113.5	107	111.5	112	113.7	122.2	122.1	117
3rd	111	111.9	112	114	126	113.9	108	112.2	113	115.8	124.8	122.8	118
4th	116	114.9	116	116		120.4	110	110.6	116	118.9	126.9	125.4	121
1977 October	107	104.0	109	110		111.0	106	106.5	109	110.6	117.9	115.0	113
November	108	110.5	111	110		111.9	105	106.4	110	110.8	118.3	117.0	114
December	109	107.4	108	113		108.7	109	107.7	110	111.3	118.6	117.9	114
1978 January	108	114.5	111	114		113.2	107	108.1	112	110.6	117.8	119.1	115
February	109	116.0	111	110		115.0	107	108.6	111	112.8	118.2	119.2	114
March	109	109.6	113	110		115.0	107	108.0	111	113.5	119.6	121.7	116
April	107	109.9	117	110		113.0	109	111.9	112	113.9	121.6	121.8	117
May	110	108.6	114	110		113.2	104	110.6	111	112.9	122.2	122.2	117
June	107	109.1	112	112		114.4	108	112.0	112	114.4	123.0	122.3	117
July	111	112.8	113	114		113.5	109	112.5	113	114.9	124.0	121.2	118
August	109	113.5	113	113		113.4	105	113.0	113	114.2	124.9	123.1	118
September	113	109.5	115	115		114.7	108	111.3	114	118.3	125.4	124.1	119
October	114	114.3	115	115		120.7	108	109.3	115	117.9	126.1	123.9	120
November	112	114.2	115	115		121.2	108	110.4	115	118.2	126.9	125.3	121
December	122	116.3	117	118		119.3	113	112.3	117	120.6	127.8	127.1	122
1979 January								106.3			127.9		
% change latest three months													
On previous three months	4.5	2.7	1.8	n.a.	−2.3	5.7	2.2	−1.4	2.1	2.7	1.6	2.1	2.3
On a year earlier	7.4	7.1	5.8	n.a.	7.7	8.9	2.8	2.1	5.5	7.2	7.9	7.5	6.5

[1] Excluding Denmark. [2] Yearly and quarterly data have more complete coverage than monthly data. [3] The monthly figures for OECD and EEC are weighted by Department of Trade consistent with the quarterly figures published by OECD. [4] From November 1978, data not comparable with those for previous periods. e Estimated. r Revised.
Source: United Kingdom, Central Statistical Office; all others 'OECD Main Economic Indicators'.

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Table 3 **Unemployment** seasonally adjusted*

Numbers thousands

	Belgium r[3]	Denmark [1 7]	France r[1 9]	F.R. of Germany [1]	Ireland [3]	Italy [4 6 8]	Nether-lands [1]	United Kingdom [1 2]	Canada [4]	United States r[4]	Japan r[4]
1974	105	*50*	498	583	48	*560*	135	600 [6]	521	5 076	740
1975	177	*124*	840	1 074	75	*654*	195	929	697	7 830	1 000
1976	229	*126*	933	1 060	84	*732*	211	1 270	736	7 288	1 080
1977	264	164	*1 073*	1 030	82	1 545	204	1 378	862	6 856	1 100
1978	282	191	*1 167*	993		1 571	206	1 376	922	6 047	1 241
1976 1st quarter	214	*118*	929	1 136	83	*681*	211	1 220	703	7 230	1 088
2nd	227	*115*	928	1 040	84	693	209	1 261	728	7 154	1 095
3rd	235	*120*	925	1 031	84	*776*	217	1 300	748	7 345	1 087
4th	237	*126*	942	1 014	84	*777*	206	1 313	770	7 392	1 037
1977 1st quarter	249	147	997	1 018	82	1 459	197	1 330	826	7 178	1 052
2nd	261	156	1 067	1 025	83	1 432	200	1 341	852	6 949	1 099
3rd	272	163	1 134	1 054	82	1 692	213	1 415	878	6 708	1 131
4th	276	172	*1 084*	1 023	80	1 598	205	1 428	900	6 492	1 124
1978 1st quarter	279	185	*1 061*	1 014	78	1 520	197	1 409	910	6 179	1 173
2nd	285	183	*1 139*	984	76	1 455	201	1 373	943	6 028	1 251
3rd	284	185	1 234	1 008	74	1 658	216	1 380	938	6 027	1 288
4th	281	189	1 224	952		1 651	208	1 340	912	5 908	1 251
1979 1st quarter								1 351			
1977 July	270	161	1 126	1 059	83		208	1 399	866	6 706	1 160
August	273	163	1 153	1 059	82		217	1 410	881	6 795	1 124
September	274	165	1 124	1 043	82		213	1 435	887	6 624	1 108
October	274	168	*1 100*	1 034	81		209	1 432	887	6 654	1 085
November	278	172	*1 081*	1 027	81		206	1 430	903	6 635	1 139
December	275	176	*1 070*	1 009	79		200	1 422	911	6 187	1 149
1978 January	278	180	*1 040*	1 002	79		199	1 419	891	6 292	1 141
February	278	183	*1 057*	1 028	78		196	1 409	901	6 092	1 176
March	281	191	*1 086*	1 012	77		197	1 400	938	6 153	1 200
April	283	184	*1 105*	978	77		196	1 387	935	6 063	1 212
May	287	182	1 135	987	76		201	1 366	949	6 156	1 254
June	286	182	1 176	989	74		205	1 365	944	5 864	1 288
July	283	183	1 225	1 009	74		210	1 371	927	6 176	1 265
August	285	185	1 251	1 020	74		222	1 392	941	5 940	1 282
September	283	187	1 226	997	73		218	1 378	946	5 964	1 317
October	282	187	1 219	981			214	1 360	910	5 836	1 275
November	282	188	1 215	950			207	1 339	919	5 877	1 280
December	279	190	1 238	924			204	1 321	908	6 012	1 200
1979 January	282		1 256	959			203	1 339	897	5 883	1 152
February	288 e			938 e				1 363		5 881	
March								1 350			
Rate % latest month	10.7 e	8.8	6.7	4.1 e	9.8	7.5	4.9	5.7	8.1	5.7	2.0
% change latest three months											
On previous three months	0.2	1.8	0.4	−3.7	−2.6	−0.4	−6.1	0.8	−2.6	0.6	−6.2
On a year earlier	2.2	9.5	n.a.	−7.2	−10.5	3.3	1.5	−4.2	0.7	−4.3	5.9

*Unemployment data are defined and collected on different bases in different countries. The following notes indicate main variations preventing direct international comparison. [1] Numbers registered at employment offices. Rates are calculated as percentages of total employees. [2] Excluding school leavers. [3] Insured unemployed. Rates are calculated as percentages of total insured population. [4] Labour force sample survey. Rates are calculated as percentages of total labour force. The quarterly data for Italy relate to January, April, July and October. [5] Estimated in the absence of one month's figures. [6] From 1977, new method of calculating unemployment which is not consistent with the previous figures. [7] From 1977, including unemployed insured for loss of part time jobs. [8] Not seasonally adjusted. [9] Data from October 1977 to April 1978 are affected by administrative changes which tend to reduce the figures. e Estimated. n.a. Not available. r Revised. Source: 'OECD Main Economic Indicators' and *Department of Employment Gazette*.

Table 5 **Consumer prices** All goods and services

Indices 1975 = 100

	Belgium	Luxem-bourg	Denmark	France r	F.R. of Germany	Ireland	Italy	Nether-lands	United Kingdom	EEC	Canada	United States	Japan	OECD
1974	88.7	90.3	91.3	89.5	94.4	82.7	85.5	90.7	80.5	88.9	90.3	91.6	89.4	90.0
1975	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1976	109.2	109.8	109.0	108.6	104.5	118.0	116.8	108.8	116.5	110.3	107.5	105.8	109.3	108.6
1977	116.9	117.2	121.1	119.9	108.6	134.1	138.3	115.8	135.0	121.7	116.1	112.6	118.1	118.5
1978	122.1	120.8	133.3	130.8	111.4	144.3	155.1	120.5	146.2	130.4	126.5	121.2	122.6	128.3
1977 1st quarter	114.3	115.3	115.3	114.9	107.3	129.1	131.6	113.0	129.2	117.6	112.3	109.7	115.3	114.6
2nd	116.2	117.1	119.0	118.5	108.8	134.0	136.6	115.8	134.9	121.0	114.9	112.1	118.4	117.7
3rd	117.9	117.9	122.0	121.3	109.0	135.4	140.1	116.6	137.0	122.9	117.4	113.7	118.8	119.7
4th	119.3	118.4	128.3	123.6	109.3	137.8	144.8	117.8	139.0	124.8	119.9	115.0	119.8	121.8
1978 1st quarter	120.8	119.2	129.9	125.5	110.7	139.8	148.6	118.2	141.4	126.9	122.1	116.9	120.3	124.0
2nd	121.3	120.5	132.0	129.1	111.7	142.2	153.1	119.9	145.3	129.6	125.1	120.0	122.7	127.1
3rd	122.6	121.2	133.6	132.5	111.7	146.6	156.8	121.5	147.8	131.5	128.3	122.8	123.6	129.7
4th	123.9	122.3	137.5	135.3	111.8	148.7	161.5	122.6	150.3	133.7	130.3	125.3	123.9	132.4
1977 October	118.8	118.1	127.5	123.2	109.1		143.6	117.7	138.4	124.3	119.1	114.5	120.8	121.3
November	119.3	118.7	128.6	123.6	109.2	137.8	145.0	117.9	139.0	124.9	119.9	115.0	119.4	121.8
December	119.7	118.4	128.7	124.0	109.5		145.7	117.9	139.8	125.3	120.7	115.4	119.1	122.3
1978 January	120.3	119.0	129.2	124.5	110.2		146.9	117.5	140.6	126.0	121.2	116.1	119.6	123.1
February	120.8	119.2	129.8	125.5	110.8	139.8	148.4	118.0	141.4	126.8	121.9	116.9	120.1	124.0
March	121.1	119.6	130.7	126.6	111.1		150.3	119.0	142.3	127.7	123.3	117.7	121.2	125.0
April	121.2	120.2	131.2	127.9	111.4		151.8	119.8	144.4	128.8	123.6	118.8	122.5	126.1
May	121.4	120.4	132.3	129.2	111.7	142.2	153.2	120.0	145.2	129.6	125.3	119.9	123.2	127.2
June	121.4	120.8	132.6	130.2	112.0		154.5	119.9	146.3	130.3	126.4	121.2	122.5	128.1
July	122.1	121.0	132.9	131.7	112.0		155.4	120.8	147.0	131.1	128.3	122.0	123.0	129.0
August	122.6	121.1	133.5	132.5	111.7	146.6	156.2	121.4	147.9	131.5	128.4	122.7	123.1	129.7
September	123.1	121.3	134.4	133.4	111.4		158.7	122.3	148.5	132.3	128.2	123.6	124.6	130.7
October	123.4	122.0	136.9	134.6	111.4		160.1	122.6	149.2	133.0	129.5	124.6	124.8	131.7
November	123.8	122.4	137.7	135.3	111.7	148.7	161.8	122.6	150.2	133.8	130.5	125.3	123.5	132.4
December	124.4	122.4	137.8	136.0	112.2		162.6	122.5	151.5	134.4	130.9	125.9	123.3	133.1
1979 January	125.1	123.4	137.9	137.2	113.4		165.8 e	122.2	153.7	136.0 e	131.9	127.0	123.4	134.3 e
February	125.5 e				114.0 e			122.9 e	155.0			128.5 e		
Percentage change														
Latest month on same month a year earlier	3.9	3.7	6.7	10.2	2.9	7.9	12.9	4.2	9.6	7.9	8.9	9.9	3.2	9.1
Latest three months on previous three months	1.3	1.0	2.1	2.0	1.5	1.4	3.2	0.1	2.7	1.9	1.9	2.1	-0.6	2.0
Latest three months on a year earlier	3.9	3.4	7.0	9.8	2.8	7.9	12.0	4.0	9.1	7.4	8.7	9.5	3.4	8.9

e Estimated. r Revised.
Source: 'OECD Main Economic Indicators'.

Table 8 **Exports** (fob) Special trade [1], seasonally adjusted

US $ million

	Belgium/ Luxembourg	Denmark [2]	France	F.R. of Germany	Ireland [2]	Italy	Nether- lands	United Kingdom [2]	EEC	Canada	United States [2]	Japan [2]	OECD
1974	28 260	7 716	45 900	89 160	2 628	30 288	32 436	38 827	275 100	32 784	98 508	55 536	532 932
1975	28 812	8 712	52 212	90 024	3 216	34 824	34 440	44 270	295 992	32 304	107 652	55 752	567 804
1976	32 844	9 108	55 812	102 036	3 312	36 924	38 748	46 542	325 044	38 628	114 996	67 224	630 492
1977	37 488	10 068	63 516	117 936	4 392	45 036	43 680	57 526	379 620	41 556	120 168	80 496	715 104
1978 [e]		11 844	76 464	141 936	5 688			71 729		45 528			
1976 1st quarter	7 404	2 120	13 272	23 280	740	8 475	8 907	11 474	75 618	9 099	27 219	15 564	147 309
2nd	7 746	2 225	13 851	24 609	818	8 862	8 883	11 452	78 165	9 543	28 660	16 467	153 129
3rd	8 217	2 340	14 007	26 148	837	9 414	9 909	11 523	82 507	9 822	29 384	17 037	160 668
4th	9 144	2 445	14 586	27 456	886	9 972	11 001	12 093	87 727	9 576	29 450	17 787	166 884
1977 1st quarter	9 069	2 532	15 108	27 897	962	10 467	10 623	12 977	89 492	10 359	29 786	19 479	171 558
2nd	9 123	2 357	15 252	28 788	1 014	11 481	10 536	14 292	92 571	10 179	30 574	19 710	175 752
3rd	9 261	2 526	16 242	29 541	1 200	10 971	11 220	14 950	96 152	10 374	30 609	20 181	180 465
4th	9 849	2 709	17 465	32 048	1 226	12 064	11 635	15 307	102 812	10 477	29 485	21 237	188 887
1978 1st quarter[e]	10 252	2 676	17 325	32 394	1 364	11 520	11 978	17 122	103 793	10 756	31 083	23 898	195 183
2nd	10 354	2 885	18 362	34 755	1 329	13 693	11 952	16 715	109 962	11 458	35 807	23 834	208 992
3rd	11 172	3 033	19 998	35 746	1 484	12 825	12 916	18 440	116 053	11 415	37 780	24 882	218 266
4th		3 336	21 387	39 393	1 533			19 500		12 132			
1977 August	2 989	846	5 411	9 861	397	3 850	3 844	4 823	32 170	3 432	9 479	6 661	59 546
September	3 293	861	5 670	10 199	405	3 571	3 709	5 106	32 885	3 421	10 884	6 610	61 593
October	3 083	835	5 765	10 369	345	3 548	3 670	5 017	32 724	3 453	9 174	6 773	59 840
November	3 173	890	5 488	10 197	418	3 999	3 776	4 898	33 268	3 074	9 093	7 145	60 620
December	3 593	984	6 212	11 482	463	4 517	4 189	5 392	36 820	3 950	11 218	7 319	68 427
1978 January [e]	3 641	885	5 650	10 942	493	3 717	4 044	5 369	34 455	3 252	10 150 e	7 784	64 248
February	3 228	947	5 724	10 772	417	3 962	4 083	6 068	34 822	3 939	10 036 e	8 154	65 607
March	3 383	844	5 951	10 680	454	3 841	3 851	5 685	34 516	3 565	10 897 e	7 960	65 328
April	3 683	998	6 467	12 108	466	4 881	4 084	5 607	38 081	4 373	11 975	7 857	71 652
May	3 319	891	5 820	10 354	412	4 478	3 958	5 528	34 615	3 564	11 720	7 994	66 778
June	3 352	996	6 075	12 293	451	4 334	3 910	5 580	37 266	3 521	12 112	7 983	70 562
July	3 626	878	6 504	10 664	458	4 036	4 112	5 990	36 225	3 603	12 054	7 958	68 499
August	3 726	1 044	6 384	11 996	477	4 275	4 245	6 203	38 624	3 643	12 272	8 252	72 397
September	3 820	1 111	7 110	13 086	549	4 514	4 559	6 247	41 204	4 169	13 454	8 672	77 370
October	4 313	1 090	7 317	13 521	453	5 226	4 566	6 526	43 505	3 787	12 963	8 188	78 532
November	4 311	1 074	7 135	12 980	553	5 448	4 460	6 427	43 027	4 196	12 886	8 539	
December		1 172	6 935	12 892	527			6 547		4 149			
1979 January								6 037					

[1] See notes to table 9. e estimate.

Source: United Kingdom. Department of Trade; all others: 'OECD Series "A" '.

Table 9 **Imports** (cif) Special trade [1], seasonally adjusted

US $ million

	Belgium/ Luxembourg	Denmark [2]	France	F.R. of Germany	Ireland [2]	Italy	Nether- lands	United Kingdom [2]	EEC	Canada [4]	United States [2 4]	Japan	OECD
1974	29 700	9 852	52 824	68 976	3 816	40 968	33 204	54 344	293 568	32 292	100 968	62 112	583 080
1975	30 708	10 332	54 240	74 208	3 804	38 364	35 148	53 618	300 048	33 960	96 936	57 864	587 376
1976	35 352	12 420	64 392	87 780	4 200	43 368	39 948	56 269	343 428	37 956	121 788	64 800	676 308
1977	40 248	13 260	70 488	100 704	5 388	47 556	45 600	63 740	386 940	39 540	147 852	70 812	765 936
1978 [e]		14 760	81 684	120 732	7 104			78 652		43 284	173 292		
1976 1st quarter	7 656	2 823	14 925	19 836	999	9 984	8 826	13 335	78 602	9 249	27 308	14 946	154 935
2nd	7 995	3 000	15 495	20 967	994	10 644	9 378	13 942	82 413	9 567	29 290	15 546	162 039
3rd	8 427	3 165	16 413	22 475	1 068	10 737	10 086	14 386	86 680	9 582	32 024	16 863	173 049
4th	9 174	3 330	17 493	24 078	1 121	11 859	11 607	14 606	93 334	9 486	32 652	17 256	182 874
1977 1st quarter	9 513	3 317	17 409	24 170	1 258	11 781	11 292	15 322	94 292	9 885	35 405	17 664	186 291
2nd	9 483	3 240	17 196	24 116	1 271	12 276	11 214	16 429	95 020	10 119	37 721	17 484	190 467
3rd	9 414	3 385	17 721	25 593	1 422	11 010	11 514	15 779	95 811	9 948	37 600	17 832	192 681
4th	10 143	3 344	18 658	27 435	1 481	12 458	11 816	16 210	101 804	9 840	37 640	18 099	198 207
1978 1st quarter [e]	11 066	3 411	19 018	28 054	1 551	11 637	12 317	18 977	105 698	9 694	40 778	18 444	205 014
2nd	10 844	3 530	19 609	28 977	1 722	13 147	12 636	18 754	108 911	11 202	43 200	18 840	214 213
3rd	11 755	3 796	20 735	30 326	1 946	13 406	13 535	20 239	116 017	10 865	44 570	20 218	224 433
4th		4 142	22 924	33 897	1 950			20 681		11 759	45 871		
1977 August	3 390	1 137	6 052	8 393	468	3 736	3 963	4 936	32 140	3 257	12 167	6 067	64 609
September	3 171	1 175	5 975	8 594	493	3 574	3 762	5 369	32 161	3 364	12 652	5 978	64 311
October	3 148	1 089	5 944	8 557	472	4 144	3 741	5 337	32 562	3 268	11 954	5 769	63 591
November	3 390	1 092	6 429	8 773	477	3 910	3 911	4 998	33 321	2 961	11 581	6 006	64 162
December	3 605	1 163	6 285	10 105	532	4 404	4 164	5 875	35 921	3 611	14 105	6 324	70 454
1978 January [e]	3 723	1 147	6 503	9 824	582	3 700	4 171	6 257	35 935	3 024	12 582	6 234	68 122
February	3 719	1 134	6 137	9 252	505	4 035	4 202	6 163	34 776	3 711	14 848	6 311	69 989
March	3 624	1 130	6 378	8 978	464	3 902	3 944	6 557	34 987	2 959	13 348	5 899	66 903
April	3 593	1 184	6 724	10 104	528	4 562	4 410	5 666	36 408	4 275	15 328	6 549	73 360
May	3 685	1 166	6 491	9 050	593	4 672	4 237	6 562	36 429	3 403	14 165	6 576	70 959
June	3 566	1 180	6 394	9 823	601	3 913	3 989	6 526	36 074	3 524	13 707	5 715	69 894
July	3 693	1 117	6 534	9 686	593	5 027	4 425	6 522	37 528	3 707	15 643	6 314	73 474
August	4 096	1 335	6 968	9 931	685	4 062	4 569	6 698	38 549	3 408	13 618	6 792	73 511
September	3 966	1 344	7 233	10 709	668	4 317	4 541	7 019	39 940	3 750	15 309	7 112	77 448
October	4 334	1 385	7 623	11 302	678	5 066	4 956	6 861	42 651	3 865	15 263	6 952	81 197
November	4 383	1 351	7 815	11 089	693	5 447	5 024	6 992	43 547	3 791	14 785	7 304	81 541
December		1 406	7 486	11 506	579			6 828		4 103	15 823		
1979 January								6 597					

[1] For most purposes special trade may be defined as trade excluding re-exports. [2] General trade. [4] fob. [5] In these tables, from January 1978, the trade of Ireland, United Kingdom, United States, Italy and Japan are classified according to SITC Rev 2. The changes are described in an article in 'Trade and Industry' 10 February 1978, which also gives for the UK an indication of the magnitude of the change. It is thought that other countries have also adopted this classification from the beginning of 1978, but the extent of the discontinuity has not been ascertained. Percentage changes may be misleading and have therefore been omitted. e estimate

Source: United Kingdom, Department of Trade; all others: 'OECD Series "A".

Economic Trends

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Instrument engineering: higher output indicated for 1978

This note gives the latest information on the performance of the instrument engineering industry. The tables, which were originally published on a 1970 = 100 basis, have now been re-based on 1975. The weights of the individual minimum list headings (MLH) in that year are given in table 1.

Output

After a slight fall in 1976, followed by a partial recovery in 1977, the output of the instrument engineering industry in 1978, according to the latest indications, was appreciably better. All sectors other than surgical instruments have shared in the improvement. Sales of principal products of the industry echoed the increase in production, and are likely to have reached £1,100 million at 1975 prices in the full year.

Trade

For many years, instrument engineering has enjoyed a surplus crude trade balance, amounting in 1977 to £60 million at current prices. On the evidence of the first three quarters, however, any surplus in 1978 is likely to have been very small; this is due to the fact that, although exports increased, imports increased much faster.

The industry is heavily dependent upon overseas trade with both the proportion of total sales which is exported, and the import penetration of the home market, well in excess of 50 per cent.

Employment

Employment in the instrument engineering industry has varied only marginally in the last three years although, in round figures, it declined by one-tenth between 1971, the most recent peak, and 1978. The fall, which was similar to that in manufacturing industry generally, was common to all sectors.

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Notes

The index of production measures net output, at constant 1975 prices, of all establishments classified to a minimum list heading. Table 2 shows sales, at constant 1975 prices, of those products which are regarded as characteristic or principal products of a minimum list heading. Sales of the products by establishments not classified to the minimum list heading, are included. The current price figures in tables 3 and 4 are obtained from Overseas Trade Statistics by combining those trade headings which correspond as closely as possible with the principal products of each minimum list heading.

Table 1 **Index of production**

Index numbers 1975 = 100, seasonally adjusted

MLH		Weight in 1975	1970	1971	1972	1973	1974	1975	1976	1977	1977 Q3	1977 Q4	1978 Q1	1978 Q2	1978 Q3
351	Photographic and copying equipment	5.87	105.1	99.8	84.3	112.0	107.8	100.0	99.7	103.1	105.7	100.3	131.2	135.9	140.1
352	Watches and clocks	7.13	67.2	68.4	78.0	88.9	95.9	100.0	91.3	90.5	98.1	91.4	87.2	96.5	108.2
353	Surgical instruments and appliances	19.86	69.7	77.8	86.2	93.0	102.9	100.0	91.5	89.2	89.1	87.6	87.6	85.9	89.0
354	Scientific and industrial instruments	67.13	87.6	90.2	87.0	91.0	97.0	100.0	98.4	102.0	102.5	103.7	102.5	110.3	109.5
Order VIII	Instrument engineering	100	83.9	86.8	85.6	92.4	98.7	100.0	96.6	98.7	99.7	99.4	100.1	105.9	107.1
	Total manufacturing industry		98.0	97.4	100.0	108.4	106.5	100.0	101.4	102.8	103.0	101.9	102.1	104.7	104.9

Table 2 **Sales of principal products**

£ million, 1975 prices, not seasonally adjusted

MLH		1970	1971	1972	1973	1974	1975	1976	1977	1977 Q3	1977 Q4	1978 Q1	1978 Q2	1978 Q3
351	Photographic and copying equipment	111	109	108	140	137	129	133	139	31	37	47	43	43
352	Watches and clocks	43	39	45	53	62	66	62	66	16	19	16	18	19
353	Surgical instruments and appliances	103	116	118	135	143	160	152	148	35	35	37	37	34
354	Scientific and industrial instruments	502	511	524	560	609	623	623	690	165	180	184	183	172
Order VIII	Instrument engineering	759	775	795	888	950	977	970	1 043	248	271	284	281	268

Table 3 **Imports of principal products**

£ million cif, not seasonally adjusted

MLH		1970	1971	1972	1973	1974	1975	1976	1977	1977 Q3	1977 Q4	1978 Q1	1978 Q2	1978 Q3
Current prices														
351	Photographic and copying equipment	27.5	35.8	52.3	75.4	104.6	126.4	146.1	187.4	45.9	49.1	56.6	61.1	62.8
352	Watches and clocks	20.8	24.2	30.7	45.9	55.7	71.0	92.2	118.7	30.0	36.2	27.1	36.9	39.5
353	Surgical instruments and appliances	13.7	17.5	20.4	30.5	42.4	54.2	72.6	87.5	20.1	22.1	24.3	26.9	23.3
354	Scientific and industrial instruments	83.9	88.9	97.2	134.5	175.1	223.1	280.7	329.8	83.9	84.3	95.6	110.9	109.9
Order VIII	Instrument engineering	145.9	166.5	200.5	286.2	377.7	474.7	591.6	723.4	179.9	191.7	203.5	235.8	235.5

Table 4 **Exports of principal products**

£ million fob, not seasonally adjusted

MLH		1970	1971	1972	1973	1974	1975	1976	1977	1977 Q3	1977 Q4	1978 Q1	1978 Q2	1978 Q3
Current prices														
351	Photographic and copying equipment	54.9	72.4	74.1	99.0	110.7	131.7	161.4	194.8	43.0	56.0	56.5	59.7	55.5
352	Watches and clocks	10.2	11.7	13.7	17.4	27.4	34.0	36.5	49.7	12.6	14.8	14.2	15.3	16.0
353	Surgical instruments and appliances	20.4	28.5	32.4	42.6	56.6	77.9	84.2	110.7	27.1	29.2	28.8	31.4	32.1
354	Scientific and industrial instruments	119.3	132.6	141.7	170.6	214.6	283.8	357.4	427.5	103.4	114.0	120.4	131.4	120.5
Order VIII	Instrument engineering	204.7	245.2	261.9	329.7	409.2	527.5	639.4	782.8	186.1	214.0	219.8	237.9	224.2

Table 5 **Employees in employment: Great Britain**

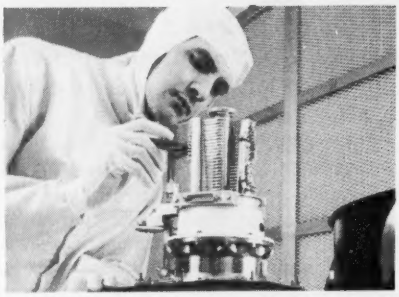
Thousands

MLH		Mid-year count 1970	1971	1972	1973	1974	1975	1976	1977	1978	1977 Q3	1977 Q4	1978 Q1	1978 Q2	1978 Q3
351	Photographic and copying equipment	13	14	13	14	13	12	12	12	12	12	12	12	12	12
352	Watches and clocks	14	14	13	13	15	15	12	12	12	12	12	12	12	12
353	Surgical instruments and appliances	28	31	28	27	29	28	28	28	26	27	27	27	26	26
354	Scientific and industrial instruments	107	106	101	105	102	98	96	98	97	99	98	98	97	98
Order VIII	Instrument engineering	161	164	156	159	159	154	148	149	147	150	149	148	148	148
	Total manufacturing industry	8 164	7 886	7 613	7 664	7 705	7 334	7 099	7 205	7 161	7 242	7 232	7 176	7 161	7 187

Industrial research and development in 1975

In these two articles, *Trade and Industry* presents new analyses and perspectives on industrial research and development for the last year for which details are available. The first considers R&D expenditure related to the size of the enterprise. The other describes the preparation of constant price estimates, and the relationship of UK expenditure to that of other major industrial countries. Further information can be obtained from the Department of Industry, EcS6B, Room 106, Abell House, John Islip Street, London SW1P 4LN (01-211 7152).

The Department of Industry has a responsibility for monitoring the level of expenditure on scientific research and development within industry. Past surveys have been made to estimate the level of outlay. The last for which results are available was in 1975 and a new inquiry is now being made into 1978 expenditure. Details of this latest investigation will be published in due course.



Analysis by enterprise size and results for overseas controlled enterprises

This article, the third in a series, presents further results of the survey of scientific research and development for 1975. The first article, published in *Trade and Industry* on 24 June 1977, gave detailed analyses of industrial expenditure on R&D in 1975. The second, in *Trade and Industry* on 1 July 1977, concerned employment on R&D. Subsequent analysis of the data led to some amendment to the original figures and they have been used in this article. It is hoped that the earlier tables, updated for the revisions, together with extended versions of the analyses in this article and constant price estimates of R&D expenditure (the subject of the next article), will be brought together in a *Business Monitor* to be published later this year.

The analyses by enterprise size and of overseas controlled enterprises exclude public corporations and research associations as did the 1972 version of the size tables published in *Trade and Industry*, 26 November 1976.

In the two-way classification by product group and by enterprise size the number of firms in some cells are so few that to avoid the disclosure of commercially sensitive information it has been necessary to reduce the product group detail compared with the earlier results.

Information is given for the first time on the R&D activities of overseas controlled enterprises which operate in the UK. For the purpose of this article, the definition of overseas controlled enterprises used in the censuses of production has been adopted: foreign enterprises are those controlled or owned by enterprises incorporated overseas.

Highlights for 1975

- 86 per cent of the total R&D manpower in UK industry was employed by enterprises with total employment of 5000 or more persons; the comparable concentration for R&D expenditure was 87 per cent.
- The comparable R&D manpower proportion rose to 95 per cent for both aerospace and electronics, the main R&D spending industries.
- For industry as a whole R&D expenditure per employee in enterprises with 10 000 or more employees (£320) was double that of enterprises with less than 500 employees: there was a general tendency for R&D expenditure per employee to rise with size of enterprises.
- The 100 enterprises with the largest expenditure on R&D contributed 86 per cent of total R&D employees, 89 per cent of R&D expenditure, and received 98½ per cent of total government financing of industrial R&D.
- Overseas controlled enterprises were responsible for 17 per cent of total R&D expenditure.

Scope of the analyses

The R&D survey collected information from enterprises on the Business Statistics Office's production register with 100 or more employees. The exclusion of enterprises with less than 100 employees has only a small effect on coverage – perhaps less than ½ per cent of both R&D employment and R&D expenditure. The analyses are also necessarily restricted by the effect of non-response. Although they include estimates or partial estimates for 14 non-responding enterprises known to have spent over £250,000 on R&D in 1975 they do not include estimates for non-responding enterprises with small R&D expenditure. Overall it is estimated that, in terms of R&D expenditure and employment, the size analysis does not cover 2 per cent of the total for private industry.

The analyses are thus based on returns or estimates for 1116 enterprises with 100 employees or more who are known to have spent money on R&D in 1975. Of these, 936 spent money on 'in-house' R&D; the other 180 only paid subscriptions to industrial research associations or sub-contracted their R&D work to outside laboratories, including those of other enterprises. It is thought that most of the enterprises with their own R&D facilities are represented in the survey.

The coverage of the size analysis based on the 1116 enterprises is shown in table 1. In those product groups such as electronics and aerospace, which account for the greater part of R&D activity in private industry – to which attention was drawn in the earlier articles – the exclusions from the size analysis account for less than 1 per cent of the total R&D activity. Only in 'other product groups' did the exclusions account for more than 2 or 3 per cent of the total – a group, which includes miscellaneous manufacturing products, as well as non-manufacturing product groups, including services.

Analysis by total employment of the enterprise

The distribution of various aspects of R&D activity according to the total employment of the enterprise is probably the most useful form of size classification; it is recommended by the OECD in the *Frascati Manual* (the Measurement of scientific and technical activities: proposed standard practice for surveys of research and experimental development, OECD, Paris,

Table 1 Coverage of enterprise size analysis, 1975

	Estimated total for private industry [1]			Coverage of size analysis [2]			
				Gross R&D expenditure		R&D employment [4]	
	Intramural expenditure on R&D £ million	Gross expenditure on R&D [3] £ million	R&D employment [4] Thousands	£ million	Per cent of total	Thousands	Per cent of total
All product groups	1 185.1	1 236.9	161.8	1 209.8	97.8	157.7	97.5
Chemicals and allied products	237.6	248.0	31.0	240.9	97.1	29.9	96.3
Mechanical engineering	71.0	73.0	10.5	70.2	96.0	10.0	95.4
Electrical engineering:							
electronics	250.6	252.0	34.6	251.2	99.7	34.4	99.5
other electrical engineering	64.5	64.9	9.3	64.1	98.7	9.1	98.1
Motor vehicles	86.9	88.2	14.4	87.5	99.2	14.3	99.2
Aerospace	291.5	318.3	35.2	316.9	99.5	35.0	99.4
Other product groups	183.0	192.3	26.7	179.1	93.1	25.0	93.4

[1] Including private laboratories and estimates for non-respondents with small R&D expenditure. [2] Excluding private laboratories and estimates for non-respondents with small R&D expenditure. [3] Including expenditure on R&D carried out by others in private industry and by other sectors. [4] As at 31 December 1975.

1976) and has the advantage of not being affected by inflation and being more easily compared between countries.

Table 2 shows the distribution of R&D employment in the maximum detail compatible with undertakings about disclosure. It can be seen that 88 per cent of all those employed on R&D were employed by enterprises with 5000 or more employees. In the main, R&D spending industries, aerospace and electronics, the concentration of R&D activity in these large enterprises was particularly heavy: 96 per cent and 95 per cent respectively. Only in one industry did the proportion of R&D employees fall below 70 per cent for the enterprises with 5000 or more employees: mechanical engineering with 64 per cent.

The distribution of R&D expenditure according to the same employment size groups is shown in table 3. The general pattern is similar to that for R&D employment. Gross R&D expenditure tends to be slightly more concentrated in the largest enterprises than R&D employment.

Another aspect of the pattern of R&D expenditure is shown in table 4 where the entire R&D expenditure of each enterprise in the size analysis has been allocated to one product group (its principal product). The table shows R&D expenditure per employee by size of enterprise. Aerospace and electronics, the major product groups for private industry's R&D expenditure being nearly half of the private industry total, have the highest R&D expenditure per employee, nearly six times and over twice the all product group average of £280. In total (all product) R&D expenditure there is a tendency for expenditure per head to increase with the size of enterprise from £150 for the stratum of smallest enterprises in the survey to over double that for the largest.

Analysis by size of total expenditure on R&D

Figures for the 100 enterprises with the largest expenditure on R&D were ranked by size of their expenditure: the results are summarised in table 5. The table shows the dominance of the larger R&D spenders in the total of R&D activity. These 100 enterprises accounted for 86 per cent (88 per cent for enterprises in the size analysis) of total R&D employment in private industry, and 89 per cent (91 per cent for enterprises in the size analysis) of the gross R&D expenditure. Government funds for R&D were more heavily concentrated than expenditure and R&D employment in the top 100 enterprises who received 99 per cent of the total government funds. Within the top 100 R&D spending enterprises, the distribution of R&D activity was heavily concentrated on the largest. The 10 largest spending enterprises themselves accounted for over half the gross R&D expenditure and R&D employment of enterprises in the size analysis and over 80 per cent of the government funding.

Table 2 R&D employment by size of total employment of enterprises, 1975

Total number of employees of the enterprise	Number of enterprises	All products	Chemicals and allied products	Mechanical engineering	Electronics	Other electrical engineering	Motor vehicles	Aerospace	Other products
		R&D employment at 31 December 1975 (thousands)							
All enterprises	1 116	157.7	29.9	10.0	34.4	9.1	14.3	35.0	25.0
100-499	552	2.9	0.7	0.5	0.5	0.1	0.1	—	1.0
500-999	168	3.0	1.2	0.3	0.4	0.2	—	0.3	0.6
1 000-4 999	233	12.9	4.1	2.8	0.7	0.4	0.1	1.2	3.5
5 000-9 999	68	15.2	5.4	1.4	2.5	0.7	0.5	2.2	2.5
10 000 and over	95	123.8	18.4	5.0	30.4	7.7	13.6	31.3	17.4
		Per cent of total							
	100	100	100	100	100	100	100	100	100
100-499	49	2	2	5	1	1	1	—	4
500-999	15	2	4	3	1	2	—	1	5
1 000-4 999	21	8	14	28	2	5	1	4	14
5 000-9 999	6	10	18	14	7	8	3	6	10
10 000 and over	9	78	62	50	88	85	95	90	70

Table 3 R&D expenditure by size of total employment of enterprises, 1975

Total number of employees of the enterprise	All products	Chemicals and allied products	Mechanical engineering	Electronics	Other electrical engineering	Motor vehicles	Aerospace	Other products
	Gross expenditure on R&D (£ million)							
All enterprises	1 209.8	240.9	70.2	251.2	64.1	87.5	316.9	179.1
100-499	18.6	4.8	3.2	3.4	0.5	0.7	—	5.9
500-999	21.8	8.1	2.2	3.1	0.9	0.2	3.5	3.7
1 000-4 999	90.4	32.2	18.9	3.8	2.7	0.6	9.8	22.5
5 000-9 999	107.3	41.4	7.6	18.7	4.6	2.6	13.2	19.2
10 000 and over	971.8	154.4	38.3	222.2	55.4	83.4	290.4	127.7
	Per cent of total							
	100	100	100	100	100	100	100	100
100-499	2	2	5	1	1	1	—	3
500-999	2	3	3	1	1	—	1	2
1 000-4 999	8	13	27	2	4	1	3	13
5 000-9 999	9	17	11	7	7	3	} 96	11
10 000 and over	80	64	55	89	86	95		71

Table 4 Average R&D expenditure per employee in R&D spending enterprises, 1975

Classified by principal product of the enterprise £

Total number of employees of the enterprise	All products	Chemicals and allied products	Mechanical engineering	Electronics	Other electrical engineering	Motor vehicles	Aerospace	Other products
All enterprises	280	460	100	640	200	200	1 630	90
100-499	150	310	110	} 330	90	} 200	} 1 090	100
500-999	180	380	130		130			80
1 000-4 999	170	430	150	960	80	} 210		
5 000-9 999	230	570	70	} 640	80		} 1 660	80
10 000 and over	320	460	80		230	210		100

Table 5 The 100 enterprises with the largest R&D expenditure, 1975

	Gross expenditure on R&D £ million	R&D employment '000s	Intramural expenditure on R&D £ million	Government funds for R&D £ million
Estimated total of private industry	1 236.9	161.8	1 185.1	402.6
Coverage of size analysis	1 209.8	157.7	1 160.0	401.9
Enterprises with the largest expenditure on R&D:				
First 5	488.4	56.5	460.8	300.3
First 10	632.4	78.3	604.2	328.7
First 20	802.6	99.3	769.9	361.0
First 50	1 001.2	125.6	961.2	389.2
First 100	1 097.3	139.4	1 053.0	396.7
	As a percentage of the total in the size analysis			
Enterprise with the largest expenditure on R&D:				
	100	100	100	100
First 5	40	36	40	75
First 10	52	50	52	82
First 20	66	63	66	90
First 50	83	80	83	97
First 100	91	88	91	99

Infrared pictures obtained from space satellites can now be transformed into colour maps to identify, measure and follow the movement of oil slicks at sea.

Overseas controlled enterprises

In the 1975 survey there were 217 overseas controlled enterprises compared with 165 in the 1972 survey. Of these, 27 are among the 100 largest R&D spending enterprises.

Table 6 below summarises the overseas controlled enterprises as percentages of all enterprises in both 1972 and 1975, for a number of variables in the survey. The absolute values of each variable for 1975 are in table 7.

The whole of the increase in the overseas controlled enterprises' share of total gross R&D expenditure (15 to 17 per cent) and in total R&D employment (14 to 16 per cent) is probably explained by the increase in the number of R&D enterprises identified as overseas controlled.

Mechanical engineering had the highest concentration of overseas controlled enterprises in 1975 at the level of industrial detail given in table 7. As is to be expected, overseas controlled enterprises have a high percentage of funds from overseas and pay a high percentage of royalties overseas.

The fact that the overseas controlled enterprises' salary and wage bill is a higher proportion of the total than is the number of their employees is partly explained by their scientists and engineers representing a larger proportion (38 per cent) of their total employment than is the case for all enterprises (33 per cent).

Table 6 R&D overseas controlled enterprises as a percentage of all R&D enterprises [1]

Per cent

	All products		Chemicals and allied products		Mechanical engineering		Electrical engineering (including electronics)		Vehicles (including aerospace)		Other products	
	1972	1975	1972	1975	1972	1975	1972	1975	1972	1975	1972	1975
Gross R&D expenditure	15	17	17	19	11	24	18	19	14	12	14	15
R&D funds from UK (excluding government)	21	19	14	15	10	26	21	20	45	27	15	15
R&D funds from UK government	3	5	2	—	—	—	7	6	2	4	3	1
R&D funds from overseas	34	51	64	77	41	30	68	84	8	5	16	21
Royalty payments overseas	33	42	21	37	13	22	74	28	7	8	21	57
Royalty payments in the UK	10	7	7	17	24	2	9	1	3	2	17	3
R&D salaries and wages	16	18	14	17	12	22	18	21	19	17	12	15
R&D employment	14	16	14	17	11	19	16	17	15	15	11	14

[1] Including private laboratories and estimates for non-respondents with small R&D expenditure.

Table 7 Overseas controlled enterprises with R&D expenditure

	All products	Chemicals and allied products	Mechanical engineering	Electrical engineering (including electronics)	Vehicles (including aerospace)	Other products
	£ million					
Gross R&D expenditure	203.5	46.5	17.8	60.0	50.6	28.7
R&D funds from UK (excluding government)	145.8	33.7	16.5	29.4	39.6	26.6
R&D funds from UK government	18.3	—	—	8.2	10.0	0.1
R&D funds from overseas	39.4	12.9	1.3	22.3	0.9	2.0
Royalty payment overseas	12.6	2.6	0.8	0.9	0.1	8.1
Royalty payment in UK	0.5	0.4	—	—	—	—
R&D salaries and wages	106.5	21.7	8.1	32.1	29.6	14.9
	Thousands					
R&D employment	25.8	5.4	2.0	7.4	7.2	3.8

Definitions and notes

The definitions are based on those internationally agreed by the OECD and summarised in the Central Statistical Office publication *Research and development expenditure and employment*, Studies in Official Statistics 27.

Scientific research and development. Research in the social sciences is excluded from this inquiry. R&D is defined for the purposes of this inquiry in the following categories:

Basic or fundamental research. Work undertaken primarily for the advancement of scientific knowledge without a specific practical application in view;

Applied research. Research undertaken with either a general or a particular application in view;

Development. The use of the results of basic and applied research directed to the introduction of useful materials, processes, products, devices and systems, or the improvement of existing ones. It should include the prototype or pilot plant stage and all work done on development contracts with government departments, the Atomic Energy Authority and similar public bodies. Firms in the aerospace industry should include expenditure on development batches.

The guiding line to distinguish R&D activity from non-research activity is the presence or absence of an element of novelty or innovation. If the activity follows an established pattern it should be excluded; if it departs from routine and breaks new ground it should be included.

Private industry. The inquiry was carried out by the Business Statistics Office (BSO). Using the BSO production register an initial inquiry was made to some 5000 enterprises asking if they carried out any R&D. As a result of this inquiry questionnaires were despatched to all enterprises employing over 100 employees and reporting expenditure on R&D, and to those enterprises who did not respond to the initial inquiry. On this occasion the inquiry was carried out under the Statistics Trade Act 1947. Expenditure recorded on actual returns received for 1975 accounts for 97 per cent of the total estimate, as compared with 94 per cent for the corresponding estimate of total expenditure in the survey for 1972. There was a significant reduction in the number of enterprises thought to be spending sizeable sums on R&D for which non-response estimates had to be made either in part or in whole.

R&D employment. Industry was asked to include all persons who spent more than half of the working week on R&D activities.

Time period to which surveys relate. Private industry was asked to make returns for either the calendar year 1975 or for a business year ending between 5 April 1975 and 5 April 1976. In the text and tables references to the year 1975 cover both figures for the calendar year and other years ending in 1975-76. Figures for earlier years cover the corresponding time periods.

Expenditure at constant prices and employment – some international comparisons

As mentioned in the preceding article, details of expenditure at current prices from the survey of industrial scientific research and development (R&D) in United Kingdon for 1975, and in less detail for 1967, 1968, 1969 and 1972, were reported in *Trade and Industry* on 24 June 1977. Analyses of employment on R&D were subject of a further note in *Trade and Industry* on 1 July 1977.

The sharply rising costs of manpower, capital and material inputs into R&D in recent years have aroused considerable interest in the possibility of obtaining estimates of R&D expenditure at constant prices. To meet this need, the Department of Industry has developed price indices which have been used in producing the constant price estimates presented for the first time in this article.

R&D price indices would ideally be compiled from data on the earnings of R & D employees, and on the prices of investment goods materials, intermediate and other products and services actually assigned to R&D purposes. However, it is not practicable to obtain all of this information. The price indices used for individually deflating the five expenditure series (labour costs, materials, other current expenses, land and buildings, and plant and machinery) within seven industry groups have, however, been carefully selected from a variety of sources (including the new earnings surveys, input wholesale price indices, capital

Table 1 UK industrial intra-mural [1] expenditure on R&D: 1964 to 1975: at current and constant prices and implied deflator

	1964	1966	1967	1968	1969	1972	1975
Expenditure, £ million:							
at current prices	488.6	58.4	604.5	638.7	680.3	830.5	1 340.1 r
at 1975 prices	1 400.1	1 504.4	1 514.1	1 506.3	1 512.9	1 417.6	1 340.1
Implied price deflator	34.9	38.6	39.9	42.4	45.0	58.6	100.0

[1] Work carried out within industry itself (ie excluding work contracted out to other sectors, eg government establishments). r revised.

goods price indices, the elements of the retail price index, Department of Environment price indices, and national accounts implied deflators) to provide the best possible alternative estimates. An implied deflator for total R&D expenditure emerges as the ratio of total R&D expenditure at current and at constant prices. A copy of a short note describing the compilation of the indices is obtainable from the address given at the beginning of this article.

The Organisation for European Co-operation and Development (OECD) has also recently prepared constant price R&D statistics for the leading industrialised countries. These and the Department of Industry's statistics for UK are summarised in table 3. Tables 4 and 5 give comparable statistics on R&D manpower and R&D scientists and engineers.

Table 2 UK industrial intra-mural expenditure on R&D at 1975 prices: by manufacturing industry

£ million

	1964	1966	1967	1968	1969	1972	1975 r
Chemical and allied industries	196	218	216	223	236	231	245
Mechanical engineering	115	155	154	148	133	94	103
Electronics	222	288	285	297	308	302	279
Other electrical engineering	82	93	92	91	85	68	73
Motor vehicles	100	120	113	106	112	97	88
Aerospace	390	331	356	354	351	366	292
Other	260	274	272	265	266	219	213
Total manufacturing	1 365	1 478	1 488	1 485	1 491	1 376	1 293

r revised.

Table 3 International [1] comparison of industrial intra-mural expenditure on R&D: 1967-75, at 1975 prices

	Index 1975 = 100									1975	
	1967	1968	1969	1970	1971	1972	1973	1974	1975	Total $ million [2]	Per head of population, US$ [2]
US	109.7	111.5	111.6	104.5	100.9	102.5	104.6	102.1	100.0	23 540	110
FRG	69.4	n.a.	78.3	n.a.	96.7	n.a.	93.6	n.a.	100.0	5 874	95
Japan	52.6	67.0	77.8	94.2	96.9	103.7	105.7	101.8	100.0	5 637	51
France	85.2	83.9	89.3	89.7	92.9	97.5	96.9	98.4	100.0	3 645	69
UK	113.0	112.4	112.9	n.a.	n.a.	105.8	n.a.	n.a.	100.0	2 914	52

[1] Source of all countries other than UK OECD. [2] Converted from national currencies by using official exchange rates, subject to the limitations noted in the text. n.a. Not available

UK industrial R&D expenditure

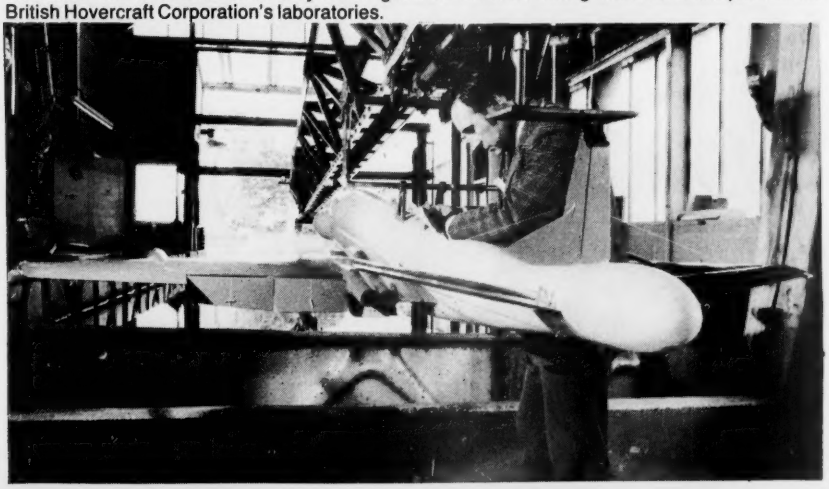
Table 1 covers the expenditure by all industrial organisations (including public corporations and research associations) on R&D carried out within industry itself (intra-mural expenditure). Extra-mural expenditure, that is expenditure on work contracted out by industry to other sectors (eg government establishments, universities) is less than 1 per cent of intra-mural expenditure.

R&D at 1975 prices rose from 1964 to a plateau of over £1,500 million in the survey years 1966, 1967, 1968 and 1969: the year of maximum R&D expenditure (1967) was 8 per cent above the 1964 level. Expenditure at 1975 prices then fell by 6 per cent between 1969 and 1972, and by 5 per cent between 1972 and 1975, when the level was 11 per cent below the peak of 1967. It will be seen from table 4 that there was a sharper fall between 1967 and 1975 in total employment on R&D – 17 per cent, but a smaller fall (from 1968) in R&D scientists and engineers – 5 per cent. The price rise from 1964 to 1975 implied by the ratio of current price to constant price expenditure was 187 per cent, 10 per cent per annum, slightly above the 9 per cent per annum for the national accounts' implied deflator, total home costs per unit of output.

Of the total industrial R&D expenditure (£1,340 million) in 1975, 96 per cent (£1,293 million) was contributed by manufacturing organisations. The industrial distribution of that expenditure is given in the first article referred to above. Constant price expenditure in the form of index numbers (1975 = 100) for seven industry groups within manufacturing, and for manufacturing as a whole, is given in table 2.

For total manufacturing, the same high plateau of expenditure occurs in 1966 to 1969 followed by falls of 8 per cent from 1969 to 1972 and of 6 per cent from 1972 to 1975. One industry, chemicals and allied, displays a trend completely different from the other six. It has experienced an underlying upward growth since 1964, being 25 per cent above the 1964 level by 1975. Electronics, the second largest R&D spending industry in 1975, is the only other industry to have a larger expenditure at the end of the survey period than at the beginning, a rise of 26 per cent; its peak expenditure occurred, however, in 1969. Other electrical engineering, which has the usual pattern of a high plateau in 1966 to 1968, is the only industry apart from chemicals and mechanical engineering to have increased expenditure between 1972 and 1975. Mechanical engineering had its peak, nearly 50 per cent above the 1975 level, in 1966-67. Aerospace, the largest R&D spending industry in each of the seven years and the only industry to have recorded its highest expenditure in the opening year of the series, experienced the largest fall between 1972 and 1975, 20 per cent. Both motor vehicles and other manufacturing industries had their maximum expenditures in 1966 and experienced successive falls in 1972 and 1975.

This scale model of an airborne early-warning Nimrod aircraft is being fitted into a catapault at the British Hovercraft Corporation's laboratories.



International comparisons of industrial R&D expenditure

Table 3 gives index numbers of constant price spending by the five countries in OECD with the largest expenditure on industrial R&D in 1975. To give some idea of magnitude, the table includes 1975 expenditures expressed in dollars. It should be remembered, however, that because the supply and demand for foreign currencies arise from the exchange between countries of only some of the goods and services which are sold on the domestic market, and from other types of transactions such as transfers, flows of property income and capital movements, exchange rates do not necessarily reflect the relative purchasing power of national currencies in terms of the goods and services available in the countries being compared. For instance, the Statistical Office of the European Communities has used the results of special purchasing power parity studies to produce estimates (see Eurostat: Comparison in real values of the aggregates of ESA) of member countries' gross domestic product (gdp) for 1975 in 'real value' as opposed to value obtained by simple use of exchange rates. The effect of making this adjustment is to raise the UK's gdp by 21 per cent and to reduce the Federal Republic of Germany's by 10 per cent.

The purpose of the table is to compare not the expenditure levels between countries but relative trends. The similarity of trends for the United States and the UK is striking. In the survey period, 1967 to 1975, both countries had their highest expenditures at constant prices in the early years with a decline after 1969 of some 10 per cent to the 1975 levels. Both the German Federal Republic and France have underlying upward trends with increases between 1967 and 1975 of 44 per cent and 17 per cent respectively. Japan experienced dramatic growth between 1967 and 1973, doubling its expenditure, followed by a fall through 1974 to 1975 of 5 per cent.

International comparisons of employment on R&D

Tables 4 and 5 give the total numbers of R&D employees and the numbers of R&D scientists and engineers for the same industrial coverage as the expenditures of table 3.

Both the United States (whose figures are partly estimated by OECD) and the UK experienced falls in total R&D employment between 1967 and 1975 larger than for total R&D expenditure at 1975 prices. However, the falls for both countries in the number of R&D scientists are much smaller and below the falls in expenditure. Total R&D employment for both the Federal Republic of Germany and France rose from 1967 to 1975, slightly less fast, and the number of R&D scientists slightly faster, than expenditure. Japan, which had the fastest growth in both total R&D employment, and R&D scientists and engineers, was the only country of the five, with a larger increase between 1967 and 1975 in expenditure than in R&D scientists and engineers.

Table 4 **International [1] comparison of total employment on R&D in the industrial sector 1967-75**

	Index 1975 = 100								1975	
	1967	1968	1969	1970	1971	1972	1973	1974	Index	Numbers ('000s)
US	112.2	114.2	116.5	109.9	104.7	102.4	105.9	103.9	100.0	n.a.
FRG	77.8	n.a.	93.9	n.a.	107.0	n.a.	101.3	n.a.	100.0	186.2
Japan	67.4	73.3	80.2	90.6	88.1	93.2	94.8	102.3	100.0	308.7
France	95.3	n.a.	n.a.	93.6	95.3	95.6	97.8	97.8	100.0	120.8
UK	121.2	119.7	117.4	n.a.	n.a.	101.5	n.a.	n.a.	100.0	180.6

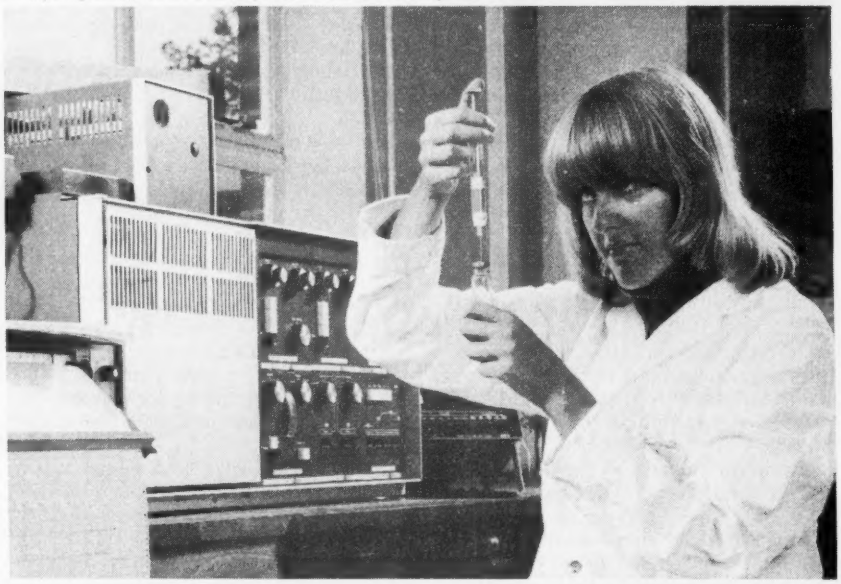
[1] Source of all countries, other than UK, OECD (Paris). n.a. Not available.

Table 5 **International [1] comparison of scientists and engineers employed on R&D in the industrial sector: 1967-75**

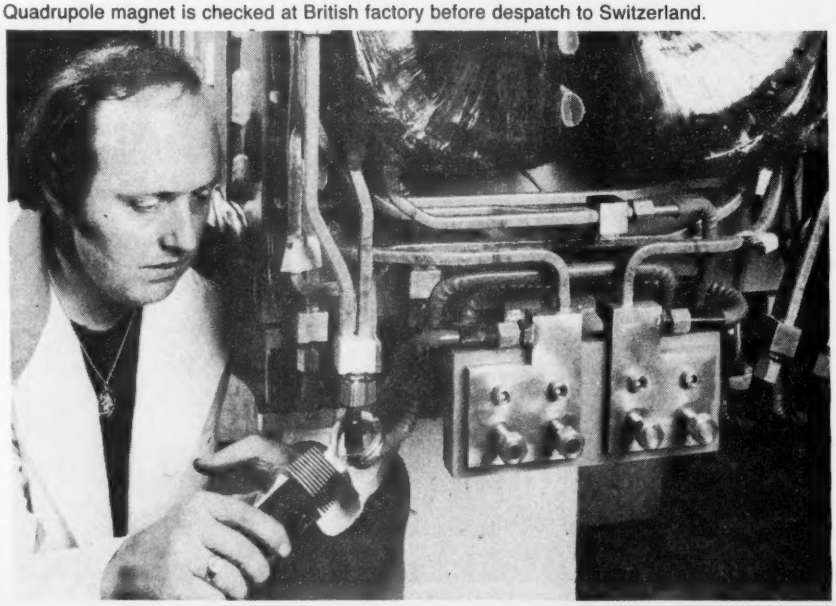
	Thousands									1975 per 10 000 of total workforce
	1967	1968	1969	1970	1971	1972	1973	1974	1975	
US	369.9	380.0	383.6	373.5	356.6	351.5	355.8	357.7	360.9	41
FRG	40.8	n.a.	49.9	n.a.	56.6	n.a.	59.1	n.a.	61.6	25
Japan	81.6	82.5	94.1	111.2	112.8	124.7	139.4	146.7	145.2	27
France	24.4	n.a.	n.a.	26.0	26.6	27.1	28.0	28.7	29.4	14
UK	n.a.	65.2	67.4	n.a.	n.a.	61.1	n.a.	n.a.	61.7	25

[1] Source of all countries, other than UK, OECD (Paris). n.a. Not available.

Analysing samples of stratospheric air collected by Concorde.



Quadrupole magnet is checked at British factory before despatch to Switzerland.



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Large increase in visits abroad by UK residents

Overseas travel and tourism 1978 and fourth quarter 1978

In 1978 there was an estimated record number of 12 861 000 visits abroad by UK residents, representing an increase of 18 per cent over 1977 and some 11 per cent more than the previous record of 11 607 000 in 1975.

The main reason for the increase arose from visits for holiday purposes, up by 25 per cent on 1977, particularly to countries such as France, Italy, the Netherlands, Yugoslavia, Switzerland, United States, and those in eastern Europe. The increase possibly reflects such factors as the rise in earnings in the UK combined with some recovery in the external value of the pound, and the poor summer weather in 1977 and 1978. In the case of visits to the United States, the introduction of cheaper transatlantic air fares has coincided with a decline in the external value of the dollar. Visits abroad for purposes other than holidaymaking also increased but not as substantially.

The number of visits to the UK by overseas residents was also a record, at 11 720 000. This, however, was only a small increase of 2 per cent on the result for 1977, the Jubilee year. It continues a pattern of successive increases in the number of overseas visitors each year since the inception of the international passenger survey.

The contribution of the travel account to the current account of the UK balance of payments was a surplus of £857 million, a modest fall from the surplus of £1,078 million in 1977. £1,466 million was spent by UK residents abroad, 33 per cent more than in 1977, while overseas visitors to the UK spent a total of £2,323 million, 7 per cent more than in 1977. Following the pattern of recent years, the overseas visitors spent at a higher average rate per visit than did UK residents abroad.

These figures are drawn from the provisional findings of the international passenger survey for 1978 (to be published during May in Business Monitor MQ 6 'Overseas travel and tourism') and include estimates for visits to and from the Irish Republic.

Visits abroad by UK residents – 1978

An estimated total of 12 861 000 visits abroad were made by United Kingdom residents in 1978 compared with 10 941 000 in 1977, an increase of 18 per cent. Total expenditure abroad by United Kingdom residents in 1978 was £1,466 million compared with £1,100 million in 1977, an increase of 33 per cent.

In 1978 there were 5 227 000 visits to the EEC countries (excluding the Irish Republic), an increase of 16 per cent over 1977. The major increases were to Italy (22 per cent), to France (20 per cent) and to the Netherlands (17 per cent). Only Denmark showed a decrease in the number of visits, of 10 per cent.

The number of visits to other western European countries was 4 049 000, an increase of 13 per cent over 1977. The main increases were to Yugoslavia (52 per cent), Greece (28 per cent), Portugal (21 per cent) and Switzerland (19 per cent). Only Sweden showed a significant decrease, of 17 per cent.

Visits to north America rose by 25 per cent to 718 000, with visits to the United States increasing by 36 per cent. Visits to other areas rose by 44 per cent (part of this increase arises from a redefinition of geographical areas whereby figures for the Canary Islands have been transferred from the western Europe category to this grouping of countries). Visits to eastern Europe rose by 27 per cent.

The number of visits abroad by air rose by 16 per cent, while those by sea rose by 21 per cent. There were 7 491 000 holiday visits (25 per cent up on 1977) and 664 000 visits for other purposes (up 29 per cent). Visits for the purposes of business and for visiting friends and relatives rose only marginally, by 1 per cent and 3 per cent respectively, to 1 846 000 and 1 383 000. Figures for visits referred to above are summarised at table 2.

The amount spent in 1978 on visits to EEC countries (including the Irish Republic) was £532 million (30 per cent more than in 1977). For visits to other western European countries the amount was £524 million, 32 per cent more than in 1977, and on visits to north America £153 million, 39 per cent more than in 1977. In addition £251 million was spent in other countries, 42 per cent more than in 1977. Expenditure abroad by residents of the Channel Islands accounted for the remainder of the debit in the travel account.

Overseas visitors to the UK – 1978

An estimated record 11 720 000 overseas visitors came to the United Kingdom in 1978 compared with 11 470 000 in 1977, an increase of 2 per cent. Their expenditure for the year was £2,323 million, compared with £2,178 million in 1977, an increase of 7 per cent.

For 1978 as a whole there were increases in the number of overseas visitors from north America, up 5 per cent to 2 318 000, and from other areas, up 8 per cent to 2 143 000, but there were decreases in the number of overseas visitors from the EEC (excluding the Irish Republic), down 1 per cent to 4 820 000, and from other western European countries, down 3 per cent to 1 566 000.

The most significant increases in the numbers of visits were from eastern Europe (39 per cent), from Greece (19 per cent), from New Zealand (15 per cent), from Sweden (15 per cent), from the Middle East (13 per cent), from South Africa (10 per cent) and from the United States (9 per cent).

The major decreases in the numbers of visits were from Norway (24 per cent), from Austria (18 per cent), from Belgium and Luxembourg (9 per cent), from Canada (8 per cent) and from Japan (8 per cent).

The number of overseas visitors arriving by air increased by 4 per cent to 6 713 000 but those coming by sea decreased by 3 per cent to 4 134 000. There were increases in the numbers of business visits, up 4 per cent to 1 938 000, of visits to friends and relatives, up 6 per cent to 1 762 000, and of visits for other purposes, up 6 per cent to 2 019 000. However

Table 1 **Overseas visitors to the United Kingdom** Thousands

		Area of residence				Mode of travel[1]		Purpose of visit[1]			
	Total all visits	North America	W. Europe EEC[1]	W. Europe non-EEC	Other areas	Air	Sea	Holiday	Business	Visits to friends and relatives	Other purposes
1975	8 844	1 817	3 599	1 128	1 597	5 053	3 088	3 795	1 541	1 440	1 365
1976	10 071	1 967	4 263	1 385	1 752	5 652	3 716	4 606	1 669	1 526	1 567
1977	11 470	2 215	4 890	1 622	1 981	6 463	4 244	5 271	1 865	1 664	1 906
1978	11 720	2 318	4 820	1 566	2 143	6 713	4 134	5 128	1 938	1 762	2 019
% change 1978/77	+2	+5	−1	−3	+8	+4	−3	−3	+4	+6	+6
1977											
1st qtr	1 861	302	795	321	331	1 225	524	743	411	309	286
2nd	2 907	609	1 291	393	432	1 572	1 153	1 398	468	408	451
3rd	4 468	870	1 929	540	798	2 157	1 980	2 292	448	609	787
4th	2 234	433	875	368	421	1 509	588	837	539	339	382
1978											
1st qtr	1 851	321	798	279	319	1 185	532	649	431	348	287
2nd	2 833	604	1 225	336	467	1 539	1 092	1 287	505	367	472
3rd	4 659	961	1 891	566	869	2 434	1 853	2 293	467	654	874
4th	2 377	432	907	385	487	1 555	657	898	536	392	386
% change 1978/77											
1st qtr	−1	+6	0	−13	−4	−3	+2	−13	+5	+13	0
2nd	−3	−1	−5	−14	+8	−2	−5	−8	+8	−10	+5
3rd	+4	+10	−2	+5	+9	+13	−6	0	+4	+7	+11
4th	+6	0	+4	+5	+16	+3	+12	+7	−1	+16	+1

[1] Excluding visits from the Irish Republic. Source: International passenger survey.

Table 2 **Visits abroad by United Kingdom residents** Thousands

	Total all visits[2]	Area visited: North America	W. Europe EEC[1]	W. Europe non-EEC	Other areas	Mode of travel[1]: Air	Sea	Purpose of visit[1]: Holiday[2]	Business	Visits to friends and relatives	Other Purposes
1975	11 607	492	4 602	4 170	849	6 505	3 608	6 891	1 520	1 282	575
1976	11 079	547	4 512	3 725	903	6 411	3 276	6 287	1 757	1 311	476
1977	10 941	573	4 521	3 584	895	6 456	3 116	6 016	1 827	1 348	515
1978	12 861	718	5 227	4 049	1 288	7 502	3 781	7 491	1 846	1 383	664
% change 1978/77	+18	+25	+16	+13	+44	+16	+21	+25	+1	+3	+29
1977											
1st qtr	1 717	92	652	545	235	1 202	323	753	437	280	73
2nd	2 849	116	1 278	908	212	1 643	871	1 535	492	321	206
3rd	4 364	237	1 786	1 501	246	2 277	1 494	2 754	391	527	145
4th	2 010	128	805	629	203	1 335	429	975	507	219	91
1978											
1st qtr	1 898	99	752	475	317	1 279	365	858	435	270	100
2nd	3 273	145	1 406	1 020	314	1 883	1 001	1 880	505	302	227
3rd	5 198	280	2 143	1 778	348	2 687	1 862	3 420	403	549	208
4th	2 491	194	927	775	309	1 653	552	1 333	503	262	130
% change 1978/77											
1st qtr	+11	+8	+15	−13	+35	+6	+13	+14	0	−4	+36
2nd	+15	+25	+10	+12	+48	+15	+15	+23	+2	−6	+10
3rd	+19	+18	+20	+18	+42	+18	+25	+24	+3	+4	+43
4th	+24	+51	+15	+23	+52	+24	+29	+37	−1	+20	+43

[1] Excluding visits to the Irish Republic. [2] Includes cruise holidays not allocated to area or mode of travel. Source: International Passenger Survey.

there was a decrease in the numbers of holiday visits, down 3 per cent to 5 128 000. Figures for visits referred to above are summarised in table 1.

The amount spent in 1978 by overseas visitors from the EEC (including the Irish Republic) was £636 million (4 per cent more than in 1977), by visitors from other western European countries, £313 million (4 per cent more), by visitors from north America, £476 million (5 per cent more), and by visitors from other areas, £870 million (11 per cent more). Expenditure by overseas visitors to the Channel Islands accounted for the remainder of the credit in the travel account.

Fourth quarter 1978

Total expenditure by UK residents abroad in the fourth quarter of 1978 was £300 million compared with £220 million in the fourth quarter of 1977, an increase of 36 per cent.

The expenditure for the fourth quarter of 1978, after seasonal adjustment, was £406 million.

Total expenditure by overseas visitors to the UK in the fourth quarter of 1978 was £524 million, compared with £500 million in the fourth quarter of 1977, an increase of 5 per cent.

Earnings for the fourth quarter of 1978, after seasonal adjustment, were £600 million. Figures for earnings and expenditure, which are at current prices, are summarised in table 3.

Visits abroad by UK residents

The number of visits abroad by UK residents in the fourth quarter of 1978 was 2 491 000, an increase of 24 per cent over the corresponding period in 1977.

The number of visits to EEC countries (excluding those to the Irish Republic) in the fourth quarter of 1978 rose by 15 per cent compared to the same period in 1977. There were increases in the numbers of visits to Italy (32 per cent), to West Germany (19 per cent), to the Netherlands (18 per cent), and to France (11 per cent).

The number of visits to other western European countries rose by 23 per cent with increases in the numbers to Yugoslavia (77 per cent), to Gibraltar, Malta and Cyprus (42 per cent), to Greece (40 per cent), to Switzerland (28 per cent), to Spain (16 per cent) and to Portugal (13 per cent).

The number of overseas visitors from EEC countries (excluding the Irish Republic) rose by 4 per cent over the same period in 1977, those from other western European countries rose by 5 per cent, and those from other areas rose by 16 per cent. Overseas visitors from north America showed a slight decrease.

The number of visits to north America rose by 51 per cent, with increases in the numbers to the USA of 56 per cent and to Canada of 36 per cent. Visits to other areas increased by 52 per cent, with increases in the numbers to eastern Europe of 48 per cent and to the Commonwealth Caribbean of 31 per cent.

Of all main destinations visited, only visits to the Middle East showed a decrease, down by 29 per cent.

Visits abroad by air in the fourth quarter of 1978 were 1 653 000, an increase of 24 per cent over the same period in 1977. Visits by sea increased by 29 per cent to 552 000.

For the fourth quarter of 1978, holiday visits, visits to friends and relatives and visits for other purposes increased by 37 per cent, 20 per cent and 43 per cent respectively over the fourth quarter of 1977, while business visits decreased by 1 per cent.

Overseas visitors to the United Kingdom

The number of overseas visitors to the UK in the fourth quarter of 1978 was 2 377 000, an increase of 6 per cent over the corresponding period in 1977.

The main increases in the number of overseas visitors were from Greece (up 89 per cent on the fourth quarter of 1977), from eastern Europe (65 per cent), from Denmark (37 per cent), from Japan (31 per cent), from South Africa (26 per cent), from New Zealand (25 per cent), from the Netherlands (18 per cent), and from the Middle East and Sweden (both 15 per cent).

The major decreases in the number of overseas visitors were from Belgium and Luxembourg (down 30 per cent), from Austria (22 per cent), from Norway (18 per cent) and from Canada (10 per cent).

The number of visitors coming by air in the fourth quarter of 1978 was 1 555 000, an increase of 3 per cent over the fourth quarter of 1977, and the number coming by sea was 657 000, an increase of 12 per cent.

For the fourth quarter of 1978, holiday visits, visits to friends and relatives and visits for other purposes rose by 7 per cent, 16 per cent and 1 per cent respectively, over the corresponding period in 1977, while business visits decreased by 1 per cent.

Note

From the first quarter of 1978 there have been some minor changes in the definitions of area groupings of countries, the most notable being the transfer of results for the Canary Islands from 'western Europe non-EEC' to 'other areas'.

Table 3 **Overseas earnings and expenditure[1]– at current prices**

	Overseas visitors to the UK: Earnings (£ million) current prices		UK residents going abroad: Expenditure (£ million) current prices		Balance (£ million): Current prices	
	Unadjusted	Seasonally adjusted	Unadjusted	Seasonally adjusted	Unadjusted	Seasonally adjusted
1975	1 123		878		+245	
1976	1 633		1 006		+627	
1977	2 178		1 100		+1 078	
1978	2 323		1 466		+857	
% change 1978/77	+7		+33		−20	
1977						
1st qtr	332	508	169	278	+163	+230
2nd	497	525	273	273	+224	+252
3rd	849	571	438	255	+411	+316
4th	500	574	220	294	+280	+280
1978						
1st qtr r	346	543	213	348	+133	+195
2nd r	506	557	338	343	+168	+214
3rd r	947	623	615	369	+332	+254
4th	524	600	300	406	+224	+194

[1] Includes estimates for the Irish Republic and the Channel Islands. r Revised. Source: International Passenger Survey.

Consumer spending boosts clothing output but textiles struggle while imports rise

Home demand (table 1)
Although the upward trend in consumers' expenditure on clothing slowed down in the fourth quarter of 1978, with an increase of less than 1 per cent on the third quarter, the year as a whole showed an increase over 1977 of nearly 10 per cent, which was a significantly higher rise than achieved by consumers' expenditure in total. In the early part of 1979, the bad weather affected retail sales of clothing. Consumers' expenditure on household textiles in the fourth quarter was some 6 per cent lower than the very high level achieved in the third quarter. Despite this drop, it was 6 per cent higher in 1978 than in 1977. The rise in home demand for textile and clothing goods attracted an increased volume of imports.

Further rises in consumers' expenditure are forecast in the February edition of the National Institute Economic Review, although at a slower rate than occurred in 1978.

Output (table 2)
Output in the textile industry fell in the fourth quarter of 1978 halting the improvement which started last spring. The woollen and worsted, knitting and carpets sectors were all about 5 per cent lower than in the third quarter. The one encouraging feature was the strong rise in the output of man-made fibres.

For the year as a whole, output was 1½ per cent lower than in 1977 which reflects, in particular, the sharp decline in the cotton system spinning and the cotton and man-made fibre weaving sectors, down 7 per cent and 6 per cent respectively in the face of substantially increased imports. The only two major sectors in which output was higher in 1978 than in 1977 were man-made fibres and carpets. They had both been particularly depressed in 1977 and in neither case did output last year exceed the 1976 level.

It is estimated from provisional figures that deliveries of made-up clothing in the fourth quarter remained at a high level, although perhaps slightly below that reached in the third quarter of 1978. This performance was due entirely to the strength of home demand, with exports, hit by the rise in sterling early in the year, failing to maintain the good growth in volume seen in 1976 and 1977. The rise in output fell well short of the increase in consumers' expenditure on clothing as imports boosted their share of the home market.

Wholesale prices (table 5)
Output prices in the textile industry in the fourth quarter of 1978 were nearly 9 per cent higher than in the fourth quarter of 1977, but only 1½ per cent higher than in the third quarter. The rise over the year was slightly more than for all manufactured products. The figures for the fourth quarter of 1978 follow the recent pattern of higher price increases in the downstream sectors – knitting, carpets and made-up clothing – than in the upstream sectors.

Table 1 Comparison of textile and clothing output with some factors affecting demand

Index numbers 1975 = 100 (quarterly figures seasonally adjusted)

						1977				1978				Growth rate per cent per annum	Growth per cent 12 months ended
	1974	1975	1976	1977	1978	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr	1974/78	Q4 1978/ Q4 1977
Gross domestic product at factor cost (expenditure based)	101.7	100.0	108.6	105.1	108.3	103.2	104.5	105.8	107.0	106.1	108.1	108.6	108.5	+1.6	+6.5
Consumer's expenditure															
All items	101.3	100.0	100.3	99.3	104.8	98.6	98.1	100.2	100.4	102.8	104.0	106.4	105.8	+0.9	+5.5
Clothing	99.1	100.0	100.0	102.4	112.1	101.4	99.6	104.0	104.4	107.4	108.7	115.8	116.6	+3.1	+9.6
Household textiles and soft furnishings	97.3	100.0	106.4	106.0	112.7	107.9	105.2	107.2	103.8	111.9	109.2	118.6	111.2	+3.7	+6.3
Output															
Total manufacturing	106.5	100.0	101.4	102.8	103.5	103.9	102.4	103.0	101.8	102.2	104.5	104.9	102.5	−0.7	+0.7
Textiles	105.9	100.0	103.0	100.9	99.5	105.3	100.1	100.3	98.0	96.9	100.0	101.5	99.5	−1.6	−1.4
Clothing [1]	98.7	100.0	96.6	103.0	105.6	102.1	102.2	103.8	103.7	100.9	103.8	109.4	108.3	+1.7	+2.5

Table 2 Output

Index numbers 1975 = 100 (quarterly figures seasonally adjusted)

	1968 MLH	Weights	1974	1975	1976	1977	1978	1977 1st qtr	1977 2nd qtr	1977 3rd qtr	1977 4th qtr	1978 1st qtr	1978 2nd qtr	1978 3rd qtr	1978 4th qtr	Growth rate per cent per annum 1974/78	Growth per cent 12 months ended Q4 1978/ Q4 1977
Man-made fibres	411	11.8	110.8	100.0	109.6	97.7	104.9	106.8	102.4	96.7	84.9	99.7	104.3	103.6	112.2	−1.4	+7.4
Spinning and doubling on cotton system[1]	412	9.4	109.6	100.0	105.5	100.2	93.0	107.3	99.7	97.6	96.4	89.0	93.3	95.5	94.2	−4.0	−7.2
Weaving of cotton and man-made fibres [2] (part)	413	8.3	104.9	100.0	99.1	97.5	92.0	100.0	97.7	98.4	93.9	89.9	94.2	91.5	92.4	−3.2	−5.6
Woollen and worsted	414	16.6	113.2	100.0	101.5	104.7	101.1	109.0	103.8	102.3	103.6	100.2	100.4	104.5	99.5	−2.8	−3.4
Hosiery and other knitted goods	417	19.6	102.8	100.0	105.5	105.9	104.0	107.7	103.9	106.7	105.3	105.1	104.1	105.9	100.9	+0.3	−1.8
Carpets	419	9.3	103.4	100.0	99.9	92.5	94.3	97.5	86.8	92.4	93.2	92.4	95.5	97.7	91.7	−2.3	+1.9
(Order XIII)[3]		100.0	105.9	100.0	103.0	100.9	99.5	105.3	100.1	100.3	98.0	96.9	100.0	101.5	99.5	−1.6	−1.4

[1] Including texturing of man-made continuous filament yarns. [2] Excludes linen. [3] In addition to sectors listed above includes jute, twine and net, lace, narrow fabrics, made-up textiles, textile finishing and other textiles industries. Their combined weight in the total index is 25.0 per cent.

Table 3 Production of man-made fibres

Million kg.

	1972	1973	1974	1975	1976	1977	1978	1977 1st qtr	1977 2nd qtr	1977 3rd qtr	1977 4th qtr	1978 1st qtr	1978 2nd qtr	1978 3rd qtr	1978 4th qtr	Growth rate per cent per annum 1972/78	Growth per cent 12 months ended Q4 1978/ Q4 1977
Staple fibre																	
Synthetic	177	221	196	178	214	182	227	53	51	42	36	55	62	52	58	+4.2	+24.7
Viscose and acetate	185	204	160	138	134	130	140	34	36	34	26	35	32	33	40	−4.5	+7.7
Total	332	425	356	316	348	312	367	87	87	76	62	90	94	85	98	+0.2	+17.6
Continuous filament yarn																	
Synthetic	196	233	200	185	200	177	181	49	48	41	39	45	47	42	47	−1.3	+2.3
Viscose and acetate	68	73	72	63	71	62	60	18	16	14	14	16	15	15	14	−2.1	−3.2
Total	264	306	272	248	271	239	241	67	64	55	53	61	62	57	61	−1.5	+0.8
All man-made fibres																	
Synthetic	373	454	396	363	414	359	408	102	99	83	75	100	109	94	105	+1.5	+13.6
Viscose and acetate	253	277	232	201	205	192	200	52	52	48	40	51	47	48	54	−3.8	+4.2
Total	626	731	628	564	619	551	608	154	151	131	115	151	156	142	159	−0.5	+10.3

The price index of materials and fuel purchased by the textile industries increased by 2½ per cent in the fourth quarter of 1978 and by 7 per cent from the fourth quarter of 1977.

The upward trend in the price of raw cotton, which came to a halt last summer, resumed in the fourth quarter to reach a level substantially higher than that obtaining at the end of 1977. However, on average the price of raw cotton in 1978 was lower than in 1977, and in the early part of this year has once again moved downwards. The price of raw wool continued its decline, which had started last summer, right through to February of this year when a sharp rise took place. Man-made fibre prices showed only modest increases throughout 1978.

Employment in textiles and clothing (table 6)

The fall in total employment in textiles in Great Britain eased towards the end of last year. In December 1978 it was nearly 16 000 lower than in December 1977 but only 1500 lower than in September. The drop in the fourth quarter was more than accounted for by a fall of around 1000 in both the woollen and worsted and knitting sectors. The bulk of the decrease over the year was also to be found in these sectors, together with spinning and doubling on the cotton and flax systems. None of the major sectors showed an increase.

Employment in the clothing industry rose by 1000 in the fourth quarter of 1978, reflecting the high level of output, and at mid-December was only 3600 less than at December 1977.

Overseas trade (tables 7-10)

The crude trade balance for clothing (division 84) improved by £10 million in the fourth quarter of 1978 following the deterioration in the third quarter but, at £58 million, the deficit was still much higher than the fourth quarter 1977 deficit of £10 million. For the year 1978, the total deficit of £251 million was nearly twice as bad as 1977 in terms of value, with exports showing a rise of 12 per cent by value (a decrease of 0.3 per cent by weight) and imports increasing by 20 per cent (an increase of 16 per cent by weight). The difference be-

Table 4 Consumption of fibres

Million kg

	1972	1973	1974	1975	1976	1977	1978	1977 1st qtr	1977 2nd qtr	1977 3rd qtr	1977 4th qtr	1978 1st qtr	1978 2nd qtr	1978 3rd qtr	1978 4th qtr	Growth rate per cent per annum 1972/78	Growth per cent 12 months ended Q4 1978/ Q4 1977
In cotton spinning																	
Raw cotton	129	126	111	103	113	104	97	31	25	23	25	25	24	23	25	−4.6	−6.7
Man-made staple fibre																	
Rayon	32	36	39	30	27	30	27	9	8	6	7	6	7	7	7	−2.8	−10.0
Other	34	37	30	30	38	39	41	11	9	9	10	10	10	10	11	+3.2	+5.1
In top making, wool spinning and felting																	
Wool and animal hair	165	149	121	122	134	126	122	36	33	27	30	33	32	27	30	−4.9	−3.2
Man-made staple fibre	86	105	103	86	87	85	84	23	22	19	21	21	21	20	22	−0.4	−1.2

Table 5 Wholesale prices

Index numbers 1975 = 100

	1975	1976	1977	1978	1977 1st qtr	1977 2nd qtr	1977 3rd qtr	1977 4th qtr	1978 1st qtr	1978 2nd qtr	1978 3rd qtr	1978 4th qtr
Output (home sales)												
All manufactured products	100.0	117.3	140.5	153.3	133.0	139.5	143.8	145.8	149.2	151.8	154.8	157.4
Textile industries	100.0	115.3	135.6	147.2	131.8	135.0	136.6	139.0	143.0	145.5	148.9	151.2
Man-made continuous filament yarn cloth in the loom state	100.0	109.1	124.0	132.3	119.4	123.8	125.8	127.2	129.0	132.1	133.3	134.8
Cotton cloth in the loom state	100.0	117.6	140.1	143.6	136.9	142.4	141.8	139.5	139.7	142.3	144.5	147.8
Worsted cloth	100.0	119.2	141.9	148.1	139.2	141.5	142.5	144.3	145.0	148.1	149.1	150.0
Socks, stockings and tights (including pantihose)	100.0	106.7	119.5	133.5	115.4	117.1	122.0	123.4	129.2	130.9	135.4	138.3
Carpets	100.0	115.7	134.7	149.7	129.9	134.1	135.8	139.2	145.8	147.0	151.7	154.3
Made-up clothing	100.0	113.0	127.6	141.5	123.5	125.3	129.0	132.5	137.0	139.3	142.9	146.7
Materials and fuel purchased												
Textile industries	100.0	124.2	142.1	145.7	140.2	143.2	143.5	141.3	140.8	145.4	146.1	149.6
Commodities wholly or mainly imported												
Raw cotton	100.0	181.0	171.5	159.1	201.8	192.2	154.5	137.5	145.8	163.1	160.2	167.4
Raw wool	100.0	146.3	160.0	149.4	169.3	161.0	156.7	152.9	140.9	153.4	152.5	150.8
Man-made fibres	100.0	111.3	125.0	127.7	122.9	125.4	125.5	126.1	126.5	127.1	128.4	128.8

Table 6 Employment in textiles and clothing [1]

Thousands

	MLH	1977 March	1977 June	1977 September	1977 December	1978 March	1978 June	1978 September	1978 December
Great Britain									
Textiles	411-429	483.6	484.4	478.5	474.7	468.3	464.2	460.6	459.1
Production of man-made fibres	411	33.0	32.6	32.1	31.1	30.7	30.5	30.6	30.5
Spinning and doubling on the cotton and flax systems	412	51.4	51.0	49.7	49.3	48.2	46.9	45.9	46.0
Weaving of cotton, linen and man-made fibres	413	39.9	39.5	39.2	38.8	37.6	37.2	36.9	36.9
Woollen and worsted	414	81.4	82.2	81.9	80.3	79.6	79.5	78.3	77.1
Hosiery and other knitted goods	417	116.4	119.1	117.7	118.2	116.3	114.6	114.2	113.3
Carpets	419	35.3	34.7	33.8	33.4	32.7	32.5	32.3	32.1
Textile finishing	423	47.1	46.8	46.4	46.8	46.2	45.8	45.3	45.9
Clothing	441-449	294.9	297.1	293.6	292.9	290.5	289.8	288.3	289.3

[1] Employees in employment at middle of each month.

Table 7 Crude trade balance[1]

£ million at current prices

	1972	1973	1974	1975	1976	1977	1978	1977 1st qtr	1977 2nd qtr	1977 3rd qtr	1977 4th qtr	1978 1st qtr	1978 2nd qtr	1978 3rd qtr	1978 4th qtr
Textile fibres (division 26)															
Exports	108.1	172.1	201.8	183.5	260.6	308.2	282.2	92.6	81.6	67.9	66.1	62.8	75.2	66.2	78.0
Imports	213.7	322.4	310.5	263.4	438.3	467.3	480.3	140.6	127.5	95.0	104.2	129.5	142.0	110.0	98.8
Balance	−105.6	−150.3	−108.7	−79.9	−177.7	−159.1	−198.1	−48.0	−45.9	−27.1	−38.1	−66.7	−66.8	−43.8	−20.8
Textile yarns, fabrics, etc (division 65)															
Exports	445.4	589.5	745.8	698.2	934.2	1 147.0	1 237.7	287.7	292.2	280.5	286.6	303.4	316.2	287.2	330.9
Imports	369.7	514.9	688.2	682.8	911.4	1 118.7	1 455.2	288.9	274.8	270.2	284.8	342.4	361.9	351.9	399.0
Balance	+75.7	+74.6	+57.6	+15.4	+22.8	+28.3	−217.5	−1.2	+17.4	+10.3	+1.8	−39.0	−45.7	−64.7	−68.1
Clothing (division 84)															
Exports	144.3	179.6	230.0	265.5	412.3	598.0	670.0	119.2	126.9	172.8	179.1	144.7	150.1	184.2	191.0
Imports	218.8	333.6	402.4	505.1	683.8	766.6	920.7	201.5	177.0	199.5	188.6	215.0	204.6	252.4	248.7
Balance	−74.5	−154.0	−172.4	−239.6	−271.5	−168.6	−250.7	−82.3	−50.1	−26.7	−9.5	−70.3	−54.5	−68.2	−57.7

[1] Imports cif, exports fob.

Table 8 **Imports**

£ million at current prices (cif)

	Textile fibres (division 26)			Textile yarns, fabrics and made-up articles (division 65)										Clothing (division 84)		
	Man-made fibres, tow and waste	Wool tops	Total textile fibres	Woollen and worsted yarns	Cotton yarns and thread	Continuous filament yarns	Spun man-made fibre yarns	Cotton woven fabrics	Woollen and worsted woven fabrics	Man-made fibre woven fabrics	Knitted fabrics	Carpets	Total yarns, fabrics, etc	Made-up clothing	Hosiery and knitted garments	Total clothing
1971	16.9	2.8	150.0	4.1	10.2	54.2	7.3	70.4	7.9	57.1	16.6	12.2	324.9	99.6	68.8	178.2
1972	24.9	4.3	213.7	6.3	12.5	52.8	9.2	74.2	8.2	78.6	14.0	15.8	369.7	123.7	82.7	218.8
1973	35.4	5.3	322.4	11.0	15.5	70.7	17.0	103.5	11.8	115.3	12.7	21.3	514.9	197.8	112.3	333.6
1974	57.2	4.8	310.5	9.5	42.8	105.2	30.2	130.5	13.5	154.5	16.4	23.0	688.2	243.9	134.1	402.4
1975	45.5	3.8	263.4	11.1	28.3	92.2	28.7	125.7	16.6	167.2	18.5	27.4	682.8	307.5	166.7	505.1
1976	59.3	4.2	438.3	17.1	41.8	127.5	41.2	190.7	19.1	196.4	22.8	36.7	911.4	404.1	238.4	683.8
1977	71.0	6.8	467.3	22.7	54.7	154.0	49.3	219.2	31.2	259.3	24.3	46.0	1 118.7	437.8	272.8	766.6
1978	80.8	12.1	480.3	25.2	56.1	179.9	63.3	282.3	48.5	357.3	33.3	62.0	1 455.2	548.0	305.3	920.7
1975																
1st qtr	10.4	1.0	56.1	2.2	6.6	20.7	5.9	31.7	3.2	44.5	3.6	5.9	166.8	68.0	37.2	111.0
2nd	10.8	0.8	74.2	3.0	6.8	20.6	6.8	29.8	5.0	41.4	4.3	6.7	166.0	79.4	39.5	125.1
3rd	12.1	1.1	70.4	2.8	7.0	24.9	7.0	30.1	5.0	39.9	5.4	6.7	167.4	75.7	45.9	130.7
4th	12.2	0.9	62.7	3.1	7.9	26.0	9.0	34.1	3.4	41.4	5.2	8.0	182.6	84.4	44.1	138.3
1976																
1st qtr	14.5	0.9	101.2	3.6	9.5	29.4	9.8	43.6	4.0	47.6	4.6	8.2	212.7	97.9	52.5	158.3
2nd	14.7	1.1	113.7	4.2	9.0	31.4	10.6	53.0	4.7	43.7	5.4	8.8	225.3	104.3	53.2	166.4
3rd	15.4	1.0	103.1	4.2	9.2	30.0	9.3	44.6	5.1	47.2	6.0	8.5	213.7	100.2	64.1	176.3
4th	14.7	1.2	120.3	5.1	14.1	36.7	11.5	49.5	5.3	57.9	6.8	11.3	259.7	101.7	68.6	182.8
1977																
1st qtr	19.0	1.2	40.6	5.8	14.8	40.1	11.6	57.9	6.2	67.0	6.6	10.0	288.9	117.7	71.0	201.5
2nd	19.0	1.6	127.5	5.4	14.7	37.9	12.0	57.0	8.1	56.8	5.9	10.8	274.8	102.5	62.0	177.0
3rd	15.4	1.8	95.0	5.5	12.6	36.3	11.2	52.4	8.7	66.8	5.4	11.1	270.2	110.7	73.1	199.5
4th	17.6	2.2	104.2	6.0	12.6	39.7	14.5	51.9	8.2	68.7	6.4	14.1	284.8	106.9	66.7	188.6
1978																
1st qtr	20.2	2.9	129.5	7.2	15.1	43.8	14.1	67.5	10.8	80.5	6.7	13.5	342.4	131.4	69.5	215.0
2nd	19.7	3.0	142.0	6.2	14.6	44.8	15.8	67.8	14.2	83.2	7.5	15.1	361.9	121.0	67.7	204.6
3rd	19.3	3.6	110.0	5.4	14.8	43.2	14.8	69.6	12.8	87.4	8.2	14.6	351.9	145.6	88.3	252.4
4th	21.6	2.6	98.8	6.4	11.6	48.1	18.6	77.4	10.7	106.2	10.9	18.8	399.0	150.0	79.8	248.7

Source: Overseas trade statistics.

Table 9 **Exports**

£ million at current prices (fob)

	Textile fibres (division 26)			Textile yarns, fabrics and made-up articles (division 65)										Clothing (division 84)		
	Man-made fibres, tow and waste	Wool tops	Total textile fibres	Woollen and worsted yarns	Cotton yarns and thread	Continuous filament yarns	Spun man-made fibre yarns	Cotton woven fabrics	Woollen and worsted woven fabrics	Man-made fibre woven fabrics	Knitted fabrics	Carpets	Total fabrics, etc	Made-up clothing	Hosiery and knitted garments	Total clothing
1971	45.5	16.3	87.3	23.3	10.1	80.4	9.6	28.6	62.8	31.6	54.4	34.2	425.8	61.8	49.0	129.5
1972	56.5	19.8	108.1	27.3	11.7	83.8	10.9	29.0	66.9	37.4	43.2	40.7	445.4	70.2	53.5	144.3
1973	77.7	38.1	172.1	37.0	17.0	110.0	18.6	39.5	91.5	49.9	43.1	63.0	589.5	86.9	68.0	179.6
1974	118.7	26.2	201.8	41.6	22.0	136.5	28.1	52.0	106.6	68.6	44.9	85.0	745.8	113.4	81.8	230.0
1975	101.3	28.6	183.5	37.5	18.5	112.8	23.3	46.9	92.5	68.2	44.3	74.6	698.2	137.1	89.3	265.5
1976	124.0	50.5	260.6	56.0	26.8	157.8	33.3	72.0	105.2	90.5	51.7	113.0	934.2	210.6	147.8	412.3
1977	153.2	56.9	308.2	77.5	27.3	174.5	36.1	94.4	151.4	112.0	56.9	141.5	1 147.0	320.9	215.8	598.0
1978	150.9	51.0	282.2	72.2	28.2	187.0	33.8	104.1	169.7	115.4	55.5	128.2	1 237.7	373.5	232.5	670.0
1975																
1st qtr	26.2	5.2	43.2	8.3	4.6	26.0	5.9	12.1	21.9	17.6	8.2	16.9	165.1	27.0	17.2	52.5
2nd	32.1	7.0	52.1	9.4	4.4	28.0	5.9	10.7	24.4	16.7	11.8	17.5	174.5	29.8	16.8	54.8
3rd	21.4	8.0	41.3	8.7	3.9	25.8	4.6	11.2	23.8	15.0	11.4	16.3	161.4	37.9	26.8	75.2
4th	21.6	8.4	46.9	11.1	5.6	32.1	6.9	12.9	22.4	18.9	12.9	23.9	197.2	42.4	28.5	83.0
1976																
1st qtr	26.9	11.0	57.6	11.1	5.3	35.4	7.7	16.1	19.7	20.6	10.9	24.4	203.4	37.8	25.3	74.1
2nd	30.3	13.4	64.8	13.7	6.8	39.4	8.5	16.6	27.6	22.2	12.5	27.3	230.9	48.2	28.5	87.7
3rd	29.1	11.6	59.8	13.6	6.8	38.9	7.1	15.8	28.5	21.0	13.6	26.0	225.3	58.3	42.8	115.4
4th	37.7	14.5	78.4	17.6	7.9	44.1	10.0	23.5	29.4	26.7	14.7	35.3	274.6	66.3	51.2	135.1
1977																
1st qtr	46.1	18.0	92.6	20.0	7.1	45.7	10.3	24.2	31.2	28.4	13.8	37.4	287.7	65.2	40.6	119.2
2nd	40.2	15.8	81.6	19.9	7.7	47.5	9.5	22.1	37.5	29.3	14.1	36.4	292.2	72.5	41.0	126.9
3rd	35.6	11.7	67.9	17.8	6.1	40.9	7.2	23.3	42.9	27.0	14.0	33.4	280.5	89.8	65.5	172.8
4th	31.3	11.4	66.1	19.8	6.4	40.4	9.1	24.8	39.8	27.3	15.0	34.3	286.6	93.4	68.7	179.1
1978																
1st qtr	31.0	13.0	62.8	19.1	7.2	45.6	8.4	24.8	36.8	29.4	13.1	32.7	303.4	82.0	49.9	144.7
2nd	39.9	12.8	75.2	18.5	7.4	47.9	8.1	25.7	47.1	27.9	14.7	32.5	316.2	87.0	47.9	150.1
3rd	36.5	12.5	66.2	15.3	6.0	43.1	7.4	24.8	44.1	24.9	12.6	29.2	287.2	97.7	68.7	184.2
4th	43.5	12.7	78.0	19.3	7.6	50.4	9.9	28.8	41.7	33.2	15.1	33.8	330.9	106.8	66.0	191.0

Source: Overseas trade statistics.

tween the comparison by weight and the comparison by value is partly due to the sharp change in the terms of trade, resulting in particular from the rise in the value of sterling early in 1978.

Compared with 1977, the proportion of exports by value going to the EEC rose from 45 per cent to 49 per cent. Exports to the Federal Republic of Germany and to the Irish Republic, which is our largest single market, each rose by 35 per cent in value. The share of exports going to the rest of western Europe fell from 23 per cent to 20 per cent, with the value of sales to Sweden declining by 11 per cent. Among the developing countries, the main feature was the drop of 24 per cent in exports to Nigeria due to the restrictions imposed during 1978 by the Nigerian government.

The increase in exports to theEEC was offset by a similar increase in imports. The proportion of imports coming from the EEC rose from 28 per cent to 30 per cent, largely the result of a rise of nearly 140 per cent in the value of imports from the Netherlands. Major suppliers showing large increases included Portugal and South Korea, up 36 per cent and 34 per cent respectively by value, in the case of South Korea partly reflecting a move up market. Imports from Taiwan and India were lower than in 1977.

In textile yarns and fabrics (division 65) the trade balance continued to deteriorate in the fourth quarter of 1978 and was, for the first time in recent years, worse than the trade balance for clothing. Although exports recovered by 15 per cent in the fourth quarter compared with the third quarter to reach a new peak, imports increased by 13 per cent, also to a record level, and contributed to an annual

overall deficit for the first time. For 1978 as a whole the main feature was the big rise in imports from the EEC, up from 49 per cent of all sources in 1977 to 52 per cent, largely at the expense of developing countries whose share fell from 19 per cent to 16 per cent. There were very large rises of around 50 per cent in value from France, Italy and Belgium and Luxembourg. Among the developing countries, China emerged as a major source and imports from Pakistan and Hong Kong also increased significantly, but falls were recorded for India, South Korea and Taiwan.

Imports of cotton woven fabrics, man-made fibre woven fabrics and knitted fabrics continued to increase in the fourth quarter and in common with woollen and worsted fabrics were all substantially higher than in the fourth quarter of 1977. In each case, imports from the EEC contributed substantially to the increase, and in cotton and man-made fibre fabrics the United States emerged as an important source. Woollen fabric imports remain dominated by Italy. The continued buoyancy of home demand, particularly in the second half of the year, is thought to have led to concentration on the UK market by our competitors whose markets were generally less buoyant. In addition, there was insufficient UK capacity to meet the high level of demand for certain products.

Exports of yarns and fabrics in 1978 had to battle in increasingly competitive markets against the background of a strengthening in the pound and domestic inflation higher than most of our competitors. Also, for some products, the improvement in the home market was a disincentive to devote extra resources to exporting. Of particular note was the fall in exports to western Europe (excluding the EEC) which took only 15 per cent of our exports in 1978 compared with 18 per cent in 1977.

The multi-fibre arrangement is thought to have worked satisfactorily where formal quotas have been established.

Table 10 Imports of raw materials

£ million at current prices (cif)

	Greasy wool (268.1)		Degreased wool (268.2)		Fine animal hair (268.3 and part 268.59)		Raw cotton (263.1)	
	mn kg	£m	mn kg	£m	mn kg	£m	mn kg	£m
1971	99	33	62	21	9	5	142	41
1972	130	56	77	23	18	13	137	44
1973	95	93	56	55	15	26	171	66
1974	65	67	56	48	9	21	93	61
1975	84	58	48	37	11	22	113	59
1976	112	121	50	54	15	50	122	95
1977	101	124	37	52	11	48	104	106
1978	114	144	35	50	13	63	100	81
1975								
1st qtr	19	13	8	6	2	3	23	11
2nd	29	19	16	12	3	6	32	16
3rd	20	14	15	12	3	6	32	17
4th	16	12	9	7	3	7	26	15
1976								
1st qtr	35	32	10	10	3	8	38	23
2nd	28	28	17	17	5	14	34	25
3rd	24	27	13	15	3	10	26	22
4th	25	34	10	12	4	18	24	25
1977								
1st qtr	29	40	11	16	2	10	33	37
2nd	27	32	13	18	3	13	25	27
3rd	25	27	6	9	2	10	18	19
4th	20	25	7	9	4	15	28	23
1978								
1st qtr	34	43	10	15	3	12	28	21
2nd	37	46	9	12	4	20	36	29
3rd	26	33	8	12	3	15	18	16
4th	17	22	8	11	3	16	18	15

Source: Overseas Trade Statistics.

UK overseas trade analysed in terms of industries: 4th quarter (p) and year 1978 (p)

£ million, current prices

sic order no and industry	4th qtr		1978	
	Imports cif	Exports fob	Imports cif	Exports fob
I Agriculture, forestry and fishing	678.5	28.5	2 955.0	745.2
II Mining and quarrying	1 588.8	1 040.3	6 300.5	3 771.1
III Food, drink and tobacco	1 059.1	620.2	3 978.1	2 229.9
IV Coal and petroleum products	342.3	277.0	1 168.5	1 035.9
V Chemicals and allied industries	822.8	1 171.0	3 087.2	4 485.4
VI Metal manufacture	526.1	519.0	2 169.6	1 809.5
VII Mechanical engineering	753.1 [1]	1 261.9 [1]	2 782.1 [1]	4 959.0 [1]
VIII Instrument engineering	266.4	268.7	944.0	951.4
IX Electrical engineering	863.3	919.6	2 987.6	3 401.7
X Shipbuilding and marine engineering	34.0	78.7	687.3	453.3
XI Vehicles	1 082.7	1 309.5	4 326.3	5 265.8
XII Metal goods not elsewhere specified	436.7	502.7	1 502.6	1 750.8
XII Textiles	498.3	451.8 [1]	1 851.7	1 664.5 [1]
XIV Leather, leather goods and fur	61.2	60.4	221.2	219.1
XV Clothing and footwear	251.9	162,2	928.5	575.1
XVI Bricks, pottery, glass, cement, etc	94.8	155.7	346.2	583.9
XVII Timber, furniture, etc	300.3	70.2	1 132.3	263.9
XVIII Paper, printing and publishing	418.3	209.4	1 594.2	782.7
XIX Other manufacturing industries	211.2 [1]	248.9	799.6 [1]	934.6
Total products of manufacturing industry (orders III to XIX)	8 032.0	8 340.5	30 553.7	31 561.3
XXI Gas and electricity	–	–	–	–
XXIII Distributive trades [2]	183.4	118.4	709.1	471.3
XXV XXVI Professional and miscellaneous services [3]	16.6	19.1	69.1	77.9
Unclassified goods Postal packages, low value and continental shelf transactions	86.4	251.6	381.7	735.8
Total UK trade	10 585.6	9 998.4	40 969.1	37 362.7

p Provisional. [1] Imports and exports of certain restricted items are not included. [2] Order XXIII includes trade in fresh and frozen meat, works of art, antiques, etc. [3] Order XXV and XXVI include trade in cinema film, photographs, designs and manuscripts, circuses, non-farm animals, etc.

Overseas trade analysed in terms of industries: fourth quarter and year 1978

United Kingdom overseas trade for the fourth quarter and the year 1978 is analysed in the table in terms of the producing industries (as defined by the standard industrial classification 1968), in contrast to the overseas trade statistics classification.

Each commodity heading in the trade statistics has been reclassified to the industry of which the commodity is a principal product.

This series of statistics, derived from the basic material of the overseas trade statistics, was first presented in an article in the February 1975 issue of *Economic Trends*. The article discussed the uses and limitations of this alternative form of presenting trade data together with figures for the years 1970 to 1973.

Business Monitor

Business Monitor MQ 10, to be published shortly, presents estimates of the value of imports and exports of each minimum list heading (MLH) of manufacturing industry. Moreover, for 1978 and its quarters, the monitor shows even greater industrial detail than in earlier years: 44 MLHs have been subdivided into 142 sub-groups. This subdivision has been undertaken in order to increase comparability with data relating to sales, employment, capital expenditure, etc, available from other inquiries, and to facilitate the analysis and monitoring of overseas trade performance by the sector working parties of the Industrial Strategy.

Note

The introduction of a revised trade classification of broader coverage and revisions to the industrial allocation of certain products have resulted in a number of discontinuities with figures for 1977 and earlier periods. Comparisons over time should therefore be undertaken only with caution.

Inquiries: 01-212 8815.

Made-up clothing: orders and deliveries in December

In the three months ended December 1978, deliveries by the clothing industry were provisionally estimated to have been the same as in the preceding three months while net new orders were 3 per cent higher. Orders-on-hand at the end of December 1978 were 3 per cent lower than the end September 1978. (These comparisons are based on the seasonally adjusted series in the accompanying table.)

In using the index numbers shown in the table, it should be borne in mind that, when price increases are large, the various problems associated with constructing a constant value series become more acute. Because of these difficultes the relative accuracy of the estimates is likely to have been reduced in recent years.

All indices have been rebased from 1970 = 100 to 1975 = 100.

Inquiries: Department of Industry, Room 524, Dean Bradley House, 52 Horseferry Road, SW1P 2AG, tel. 01-212 0116.

Made-up clothing
Index numbers of total orders and deliveries

	Orders-on-hand (end period)		Net new orders		Deliveries	
	December 1974 = 100		Average 1975 Deliveries = 100		Average 1975 Deliveries = 100	
1973	110		108		102	
1974	100		100		100	
1975	98		103		100	
1976	92		102		98	
1977	96		107		104	
1978	102		109		106	
	Actual	Seasonally adjusted	Actual	Seasonally adjusted	Actual	Seasonally adjusted
1973						
1st qtr	102	107	111	113	102	100
2nd	123	113	119	111	102	104
3rd	105	114	89	106	100	101
4th	110	108	115	104	107	104
1974						
1st qtr	116	121	98	101	95	94
2nd	120	110	107	99	99	102
3rd	95	103	84	99	101	101
4th	100	99	111	102	105	103
1975						
1st qtr	112	116	103	109	103	106
2nd	115	106	116	105	100	100
3rd	88	95	83	97	97	97
4th	98	97	110	102	100	98
1976						
1st qtr	90	93	96	97	99	98
2nd	114	104	113	105	96	99
3rd	87	93	87	102	98	97
4th	92	91	110	102	101	98
1977						
1st qtr	101	105	110	110	105	104
2nd	108	99	107	99	100	104
3rd	91	97	97	111	104	103
4th	96	94	113	107	107	106
1978						
1st qtr	92	95	104	107	103	104
2nd	113	102	117	106	103	106
3rd	101	107	95	110	108	108
4th	103	106	119	116	111	110
1977						
Jan	99	102	98	113	93	104
Feb	98	103	110	106	111	105
Mar	101	105	121	110	111	102
Apr	106	104	115	105	100	104
May	113	100	118	89	101	102
Jun	108	99	87	104	99	107
Jul	97	96	94	119	105	105
Aug	91	96	82	109	93	102
Sep	91	97	116	105	115	101
Oct	91	95	126	98	123	104
Nov	95	94	116	97	107	101
Dec	96	94	97	126	91	112
1978						
Jan	93	95	88	103	91	101
Feb	90	94	108	106	110	103
Mar	93	95	115	112	108	107
Apr	106	102	134	110	112	106
May	119	103	128	106	96	107
Jun	113	102	88	101	102	105
Jul	106	106	93	113	110	111
Aug	99	107	76	106	94	105
Sep	93	107	117	112	119	108
Oct p	101	107	131	105	122	104
Nov p	104	105	130	114	118	113
Dec p	105	106	97	129	94	113

p Provisional.

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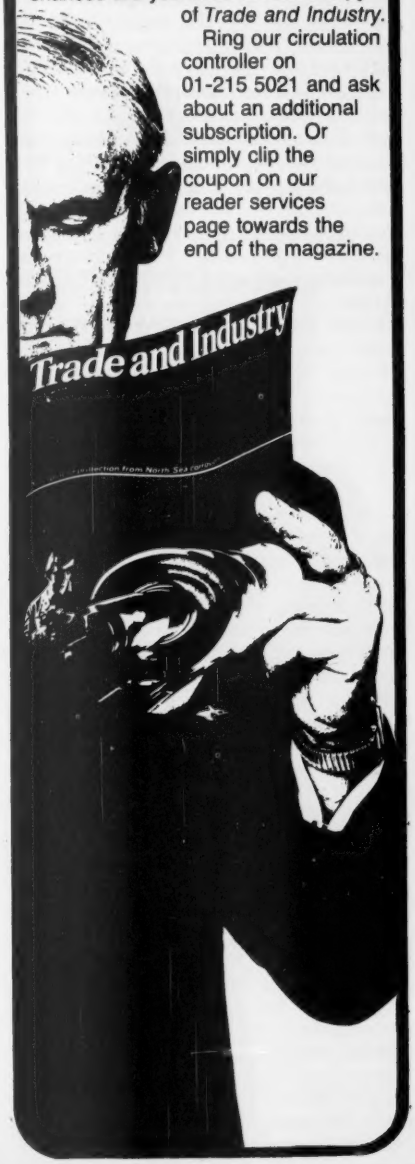

Trends in invisibles in 1978

In 1978 there was a surplus of £1,429 million on invisibles in the United Kingdom balance of payments. This was some £610 million below the 1977 level, mainly because of higher net contributions to the EEC. There was also some deterioration in net earnings from sea transport and travel, though these were partially offset by continued growth in earnings on other kinds of services. The gross earnings received from overseas (credits) for invisibles rose 9 per cent between 1977 and 1978 but this was more than offset by an increase of 15 per cent in gross payments to overseas (debits) for invisibles.

In the sea transport account, debit payments for dry cargo increased by 12 per cent in 1978 as overseas operators increased their share of the market of cargo imported into the UK. Similarly, the UK industry's smaller share of the export and cross voyage dry cargo market led to a reduction in the level of freight earnings on the credit side. Debit payments for tankers fell by 10 per cent reflecting the lower level of imports of oil into the UK in 1978; however, there was also a fall in receipts from tanker shipping of 15 per cent as reduced activity by UK operators led to lower earnings from cross voyages. The net effect was to turn the 1977 surplus of £21 million in the sea transport account into a deficit of £292 million in 1978.

In civil aviation, credits increased by nearly 20 per cent in 1978 due mainly to the success of UK airlines in winning business in a competitive market, though the 1977 earnings were slightly depressed by various operational difficulties. Debits increased by 16 per cent and the net surplus on civil aviation rose by £87 million in 1978 to £331 million.

The balance from travel fell £221 million from the peak in 1977 to £857 million in 1978. The trend during 1978 indicates a levelling off in the number of visits by overseas residents and in their expenditure, and there was only a small increase in receipts in 1978. However, debits increased by nearly a third as a result of an increase in both the number of visits made abroad by UK residents in 1978 and in the expenditure per visit. In real terms, UK residents' overseas expenditure on travel and tourism has now passed the previous peak reached in 1973.

Earnings from financial services of £1,482 million in 1978 were £56 million higher than in 1977. Most categories contributed to the increase with the exception of commodity trading which declined by about £35 million.

The balance of credits and debits from 'other services' increased by £384 million in 1978 to £1,272 million. Credits rose 14 per cent with about half of this increase being accounted for by rises in consulting engineers' overseas earnings, income from royalties, and in expenditure in the UK by foreign students.

Debits on 'other services' in 1978 were virtually the same as in 1977. There were increases in payments for royalties and for

Invisibles

£ million

						1978 seasonally adjusted			
	1974	1975	1976	1977	1978	1st qtr	2nd qtr	3rd qtr	4th qtr
Credits									
Private services [1]:									
Sea transport:									
Freight and fares	1 861	1 727	2 145	2 338					
Charter receipts	511	560	651	606					
Disbursements of overseas shipping	302	372	451	522					
Total	2 674	2 659	3 247	3 466	3 238	792	814	800	832
Civil aviation:									
Fares, freights, etc	451	560	766	852					
Disbursements of overseas airlines	174	220	285	351					
Total	625	780	1 051	1 203	1 439	327	336	386	390
Travel [3]	837	1 123	1 633	2 178	2 302	544	558	623	577
Financial services	777	1 014	1 287	1 426	1 482	434	340	349	359
Other services:									
Films and television	26	37	44	50					
Royalties, etc	246	275	387	430					
Miscellaneous	1 145	1 453	1 903	2 380					
Total	1 417	1 765	2 334	2 860	3 257	765	796	842	854
Total private services [1]	6 330	7 341	9 552	11 133	11 718	2 862	2 844	3 000	3 012
Interests, profits and dividends:									
Direct investment [2]	1 490	1 583	2 381	2 287	2 263	556	563	567	577
Portfolio investment	239	225	246	270	257	60	64	71	62
Oil and other	1 414	1 024	1 276	1 533	2 165	451	542	574	598
Total	3 143	2 832	3 903	4 090	4 685	1 067	1 169	1 212	1 237
Transfers:									
Private	333	349	456	500	547	130	140	139	138
Government	130	363	251	292	454	89	81	119	165
Government services	110	139	215	240	316	63	73	92	88
Total credits	10 046	11 024	14 377	16 255	17 720	4 211	4 307	4 562	4 640
Debits									
Private services [1]:									
Sea transport:									
Freight and fares	934	855	1 082	1 176					
Charter payments	799	659	802	837					
Disbursements abroad	1 063	1 089	1 338	1 432					
Total	2 796	2 603	3 222	3 445	3 530	853	914	881	882
Civil aviation:									
Freight, fares, etc	239	321	369	443					
Disbursements abroad	290	343	441	516					
Total	528	664	810	959	1 108	258	265	292	293
Travel [3]	683	878	1 006	1 100	1 445	352	344	371	378
Other services:									
Films and television	27	34	43	49					
Royalties, etc	199	239	296	330					
Miscellaneous	755	1 152	1 432	1 593					
Total	981	1 425	1 771	1 972	1 985	493	507	479	506
Total private services [1]	4 989	5 570	6 809	7 476	8 068	1 956	2 030	2 023	2 059
Interest, profits and dividends:									
Direct investment [2]	609	615	1 023	1 400	1 433	354	356	368	355
Portfolio investment	236	288	354	518	614	157	149	154	154
Oil and other	1 016	1 166	1 211	1 780	2 086	447	496	517	626
Total	1 861	2 069	2 588	3 698	4 133	958	1 001	1 039	1 135
Transfers:									
Private	454	503	509	614	848	228	205	211	204
Government	450	730	1 035	1 403	2 140	539	456	582	563
Government services	648	759	972	1 022	1 102	375	296	2 289	242
Total debits	8 402	9 631	11 913	14 213	16 291	3 956	3 988	4 144	4 203
Net balances									
Private services [1]	+1 341	+1 771	+2 743	+3 657	+3 650	+906	+814	+977	+953
Interest, profits and dividends	+1 282	+763	+1 315	+392	+552	+109	+168	+173	+102
Private transfers	−121	−154	−53	−114	−301	−98	−65	−72	−66
Government transfers	−320	−367	−784	−1 111	−1 686	−450	−375	−463	−398
Government services	−538	−620	−757	−782	−786	−212	−223	−197	−154
Net invisible balance	+1 644	+1 393	+2 464	+2 042	+1 429	+255	+319	+418	+437

[1] Including public corporations. [2] Excluding oil companies and insurance company debits. [3] These figures are as in the latest complete estimate of the UK balance of payments published on 7 March 1979 and do not take account of the latest estimates for travel as published elsewhere in this issue.

Interest, profits and dividends by sector

£ million

						1978 seasonally adjusted			
	1974	1975	1976	1977	1978	1st qtr	2nd qtr	3rd qtr	4th qtr
Credits									
Private sector [1]	2 906	2 566	3 650	3 679	3 919	874	962	1 023	1 060
General government	237	266	253	411	766	193	207	189	177
Debits									
Private sector [1]	1 272	1 289	1 687	2 602	2 915	601	681	731	842
General government	589	780	901	1 096	1 218	297	320	308	293
Net balance									
Private sector [1]	+1 634	+1 277	+1 963	+1 077	+1 004	+213	+281	+292	+218
General government	−352	−514	−648	−685	−452	−104	−113	−119	−116

[1] Including public corporations.

telecommunications and postal services but these were almost completely offset by lower payments for imports of services connected with offshore oil and gas activities reflecting a lower level of exploration drilling.

The surplus on interest, profits and dividends, following the sharp decline in 1977 to £392 million, made some recovery to reach £552 million in 1978. In 1978, the net payments by general government fell for the first time since 1972 mainly because receipts from overseas rose 86 per cent, a reflection of the high level of official reserves in 1978. Payments overseas by general government rose by only 11 per cent, with interest payments on the higher level of overseas holdings of gilts and on the large net borrowing from the European Investment Bank in 1978 accounting for a large part of the increase.

Net surplus

The net surplus of the private sector and public corporations fell by £73 million to £1,004 million in 1978. UK companies' net earnings from their direct investment overseas (excluding oil) and foreign companies' earnings from their direct investment in the UK (excluding oil and insurance) both showed little change in 1978. This lack of growth is probably a reflection of the sluggishness of industrial production in the UK and other industrial countries, and for credit earnings the higher sterling exchange rate in 1978 will have depressed the sterling value of foreign currency earnings. For portfolio investment the sterling value of earnings received from overseas fell 5 per cent in 1978, while payments overseas rose by nearly 19 per cent, mainly because of payments by government on higher overseas holdings of gilts.

Oil companies earnings

UK oil companies' earning from their overseas operations showed a small fall in 1978. Profits in 1977 included a large element of stock appreciation following the Opec price rise at the beginning of that year, while in contrast, UK oil companies actually experienced stock losses in 1978 as the sterling price of oil fell. On the other hand, earnings of foreign oil companies from their direct investment in the UK rose in 1978, though at a rate considerably lower than expected largely because of the failure to reach planned production levels in the North Sea. In addition, for both UK and foreign oil companies' profits in at least the first half of 1978 were depressed because of a surplus of oil on the world markets and an excess capacity in refineries and tanker fleets.

UK banks' earnings on lending in sterling and foreign currency both rose in 1978, but investment payments overseas by the private sector and public corporations increased sharply in 1978 with higher interest rates and increased borrowing contributing to the rise.

The deficit on government transfers increased from £1,111 million in 1977 to £1,686 million in 1978 resulting mainly from an increase of £455 million in net contributions to the European Communities and £101 million increase in bilateral economic aid to developing countries. The deficit on private transfers increased from £114 million in 1977 to £301 million in 1978. Debit transfers were affected by a relaxation of exchange control restrictions while the value of credits was held down as sterling appreciated against most other currencies. Government services had a deficit of £786 million in 1978, only marginally higher than in 1977, with higher military expenditure in the Federal Republic of Germany being largely offset by a contribution to these costs by its government and by higher income from overseas defence contracts.

Inquiries: *Department of Trade, Room 252, Sanctuary Building, Great Smith Street, London SW1, tel. 01-215 3135.*

Aerospace industry

January's cost indices for the aerospace and radio, radar and electronic capital goods industries will be published in next week's *Trade and Industry*.

Patents recorded 'licences of right'

Under section 46 of the Patents Act 1977 the register was noted 'licences of right' in respect of the following patents on the date specified:

15 March 1979

1443912 Societa Italiana Resine SIR SpA
Halogenated copolymers of acrylonitrile for forming flame-resistant fibres
1447915 Societa Italiana Resine SIR SpA
Process for the etherification of acetal polymers
1457683 Societa Italiana Resine SIR SpA
Process for the manufacture of a microfibrous pulp suitable for making synthetic paper
1467410 Societa Italiana Resine SIR SpA
Quick-hardening adhesive compositions comprising resol phenolic resins
1468224 Societa Italiana Resine SIR SpA
Improved process for the stabilisation of polyacetal resins containing terminal hydroxy groups
1468986 Societa Italiana Resine SIR SpA
Self-extinguishing copolymer products suitable for making acrylic fibres
1473403 Societa Italiana Resine SIR SpA
Iron compositions for use in agriculture as soil modifiers and fertilisers and their method of manufacture
1256333 Agfa-Gevaert Aktiengesellschaft
Device for deflecting liquid or gaseous media in rectangular ducts
1322016 Agfa-Gevaert Aktiengesellschaft
A process for treating photographic emulsion
1501515 Agfa-Gevaert Aktiengesellschaft
A process for the production of photographic materials
1364193 The Upjohn Co
16-Alkyl-M,20,21-trihydroxy-pregna-4,9(11)-dien-3-ones and derivatives thereof
1364194 The Upjohn Co
Acetals and ketals of 20,21-dihydroxy pregnare compounds
1364195 The Upjohn Co
Acetals and ketals of 20,21-dihydroxy pregnane compounds
1373269 Gnome Photographic Products Ltd
Improvements in or relating to slide holders for slide projectors
1382450 Robert Rampton Porter
Continuous ion exchange process and apparatus
1414370 Grindstedvaerket A/S
Benzodiazepines and their production
1470514 William Glyndwr Jones and John Idis Davies
Improvements relating to levelling, measuring or surveying apparatus
1473624 Rowenta-Werke GmbH
Circuit for producing a spark discharge

21 March 1979

1366066 *Regie Nationale Des Usines Renault and* Automobiles Peugeot
Improvements in or relating to epicyclic gear boxes
1456938 *Regie Nationale Des Usines Renault and* Automobiles Peugeot
A fluid pump
1457967 *Regie Nationale Des Usines Renault and* Automobiles Peugeot
A disc brake
1477781 *Regie Nationale Des Usines Renault and* Automobiles Peugeot
A lever operated control mechanism
1106732 *Regie Nationale Des Usines Renault*
Improvements in the control of a combination of a power unit and an automatic transmission with an electrically-controlled clutch
1448058 Regie Nationale Des Usines Renault
A method of casting spheroidal-graphite cast iron
1522382 *Agfa-Gevaert*
Process for making polymeric film
1528152 Agfa-Gevaert
Development of photographic silver halide material
1528163 Agfa-Gevaert
Process for the hardening of photographic layers
1528951 Agfa-Gevaert
Development of photographic silver halide material
1530272 Agfa-Gevaert
2-pyrazolin-5-ones and their use as colour couplers for silver halide photography
1170974 Automotive Products Ltd
Improvements in and relating to control systems
1263999 Automotive Products Ltd
Improvements in or relating to brakes for vehicles
1289648 Automotive Products Ltd
Improvements in or relating to braking systems for vehicles
1473082 Automotive Products Ltd
Improvements in or relating to two-shoe internal shoe drum brakes
1476921 Automotive Products Ltd
Improvements in or relating to two-shoe internal shoe drum brakes
1434344 Abdul Hameed Quraishi
Casting processes utilising expendable or lost patterns
1434345 Abdul Hameed Quraishi
Improvements in or relating to rotational moulding
1331571 Dennis Dodd
Improved means for preventing jack-knifing of articulated vehicles
1392177 Horstman Gear Group Ltd
Timer unit
1522423 Hans Kolb GmbH and Co
Steering column lock for vehicles

Any person who claims that the proprietor of the patent is, and was at the time of entry, precluded by a contract in which the claimant is interested from granting licences under the patent may, within three months after the making of the relevant entry, apply to the Comptroller on patents form 31/77 for cancellation of the entry.

I. J. G. Davies, Comptroller

Cinema admissions and takings in 1978

Estimated admissions and gross box office takings during 1978 were 127 million and £119 million, compared with 108 million and £90 million in 1977.

The number of licensed screens at the end of the year was 1574, compared with 1561 at the end of 1977.

During December, counted as a five-week period, the weekly average of admissions to cinemas in Great Britain was 2.15 million and the weekly average of gross box office takings was £2.12 million. The comparable figures for December 1977 were 1.84 million and £1.60 million.

Films Act 1960 (as ammended by Films Act 1979) Combination of quota periods

'Foul Play'

The Department of Trade, after consulting the Cinematograph Films Council and upon the application of EMI Cinemas Ltd, has issued a direction that the years 1979 and 1980 may be combined as a single quota period at the ABC2 Cinema, Fulham Road, London, provided that the foreign film 'Foul Play' is exhibited for a continuous period of at least eight weeks and one day.

Registrations of British, community and foreign films

The following are details of films registered by the Department of Trade under the Films Acts 1960 to 1970, as amended by the European Communities Act 1972, during the week ended Friday 30 March 1979.

BR/E indicates that the film is a British quota film, EC that the film is a quota film. The date which forms part of the registration number of each is the date on which quota life of the film expires.

Title of film	Registered no.	Playing time minutes	Date of registration	Registered in the name of	Maker's name
BRITISH					
The Golden Lady	BR/E 39980/31/3/84	94	28 March	Target International Pictures Ltd	Elcotglade Ltd
Movietone News 2599	BR/E 39840/31/3/84	8	30 March	British Movietonews Ltd	British Movietonews Ltd

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